

Consider tax increase with U.S. Sugar deal

Palm Beach Post Editorial

Friday, July 18, 2008

The euphoria over Florida's proposed \$1.75 billion deal to buy U.S. Sugar Corp. land for Everglades restoration is evaporating as hard realities become apparent.

The South Florida Water Management District wants to make the purchase for the state without raising taxes on residents in the district's 16 counties. Given the price, that no-new taxes approach seemed unrealistic when the deal was announced on June 23, and it looks even less realistic now.

Part of the cost for buying U.S. Sugar - contract negotiations will be done in early September - would be shrinking or postponing restoration projects already in the works or trying to get the federal government to pay for them. The Miccosukee Indian Tribe already has signaled its concern by filing a motion before U.S. District Judge Federico Moreno. He is supervising the ongoing Everglades water cleanup, and the tribe wants him to make the district finish building the Everglades Agricultural Area reservoir. It is part of the state's Acceler8 plan to speed up restoration.

The Miccosukees have fought since 1989 in federal court to make the district meet water quality limits and cleanup deadlines. "The state is always promising to do something for the Everglades 10 years later," the tribe's attorney, Dexter Lehtinen, said. " ... The Everglades is dying now, not 10 years from now."

Stopping construction on that reservoir and others near the St. Lucie and Caloosahatchee rivers could mean more dirty water sent to coastal estuaries or tribal lands. Yet district board members won't consider even a tiny tax increase to ensure that vital projects keep going. While no one will confirm it on the record, the reason almost certainly is that Gov. Crist campaigned on a no-new-taxes platform, and even a needed tax increase could hurt his chance of becoming John McCain's running mate.

But come on. The water district's current tax rate is 62 cents per \$1,000 of taxable value - \$124 on a home assessed at \$200,000. A return to the 2006 rate of 69 cents would cost that homeowner another \$14. Going to 80 cents, which the district can do without legislative approval, would cost another \$36.

The district's answer is that the federal government finally should start to pay its 50 percent share for Everglades restoration. If Florida is a battleground state, John McCain and Barack Obama might indeed make a commitment - as President Bush did - and actually honor it - as President Bush hasn't.

But Florida can't just assume that Washington would come through. As promising as the U.S. Sugar deal sounds, the state was just as enthusiastic in 2004 about its Acceler8 plan to fast-track restoration.

The district also contends that with the U.S. Sugar land, other projects - such as that key reservoir - might not be needed. There is a separate lawsuit over that reservoir. During a hearing on it Thursday, U.S. District Judge Donald Middlebrooks asked whether the suit was being overtaken by events. Maybe so.

Or maybe the water district is trying to do too much with too little. The district's final budget hearing is in late September. If a tax increase is necessary to buy U.S. Sugar *and* continue vital projects, that extra \$14 would be worth it.