

Editorial: Scaled back sugar deal sweeter than initial Save The Everglades plan

By TCPalm Staff

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The deal is getting better by the day.

In June 2008, Florida was prepared to spend \$1.75 billion to purchase U.S. Sugar's entire Clewiston-based operation for Everglades restoration. In December, a new deal was negotiated: The state would purchase only the land — 180,000 acres — for \$1.34 billion, and lease back the land to U.S. Sugar for seven years.

Fast-forward to April 1: Gov. Charlie Crist, the architect of this mammoth project, announces better terms.

Both U.S. Sugar and the governing board of the South Florida Water Management District still must approve the amended proposal. For its part, the governing board should endorse it.

Under the latest proposal, the water management district will acquire 72,500 acres from U.S. Sugar for \$530 million. The district also will have a 10-year option to purchase the remaining 107,500 acres. The seven-year lease with U.S. Sugar remains intact.

There's a lot to like:

- The savings to taxpayers on the initial investment — about \$800 million — are substantial.
- Annual debt service payments will be reduced by \$65 million a year.
- The lease rate will be tripled — to \$150 an acre — and generate at least \$40 million in revenue.
- The 72,500 acres are integral to recreating the natural flow-way in the Everglades. However, the state still needs to purchase land from Florida Crystals to complete this project — a factor that underscores the importance of bringing Florida Crystals into the negotiations.

The new deal reflects current fiscal realities — not just at the state level, but also in the 16-county area that makes up the water management district.

Taxpayers in these 16 counties will be paying for the land. While the \$1.34 billion offer

was pricey, Carol Wehle, the district's executive director, said recently that the district can afford the terms of the new deal, even if the economy continues to soften in the next two years.

The U.S. Sugar deal was a bit of a gamble — albeit one worth pursuing — at \$1.34 billion. At \$530 million, along with the additional elements in the latest proposal, it constitutes a solid investment in Florida's environmental future.



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