

orlandosentinel.com/news/opinion/orl-ed16108dec16,0,3881438.story

OrlandoSentinel.com

EDITORIAL

We think: Florida needs to restore the Everglades - but at a fair price

December 16, 2008

The state surely could use the 181,000 acres U.S. Sugar is willing to sell it to help restore the Everglades.

And U.S. Sugar, struggling under a harsh market and tougher state regulations, couldn't help but benefit by unloading them.

But taxpayers and credit markets can't be expected to support the deal at any price -- and certainly not the price the South Florida Water Management District, acting as purchasing agent for the state, is considering signing off on today.

That price is \$1.34 billion -- a sum that's \$300 million to \$400 million more than appraisers say the land is worth.

Naturally, Big Sugar's sweet on it. So much so it publicly has said that if the state balks today -- the deadline for approving the deal -- it walks.

More important than the company's threat of walking, however, is whether the deal they've forged floats. And Michael Phelps, it's not.

We'd like to see the two sides make a deal as much as anyone. The state would build reservoirs and marshes on U.S. Sugar's land just south of Lake Okeechobee that could store and clean water before sending it south to the Everglades. That eventually could help reduce the cost of the restoration project, begun in 2000, by making it unnecessary to drill hundreds of pricey wells for storing fresh water. It could help rejuvenate dozens of imperiled species.

But the deal's listing, and ultimatums from U.S. Sugar won't right it.

Financial managers reviewing it note there's not a worse time for governments to pay an inflated price for land. Agree to the \$1.34 billion, they say, and good luck finding a lender willing to bankroll the purchase. The state's seeking to borrow the money through bonds and

pay off the debt with property taxes collected from 16 counties, including Orange and Osceola.

Who among taxpayers in those counties, meanwhile, would want to pay the conglomerate that caused much of the pollution choking the River of Grass hundreds of millions of dollars more than its land is worth? Too many of them, by contrast, are struggling to pay what the food and clothing they need at Publix and Target are worth.

Nevertheless, the water-management district and Big Sugar still can make a deal. They can agree to extend the deadline. The state can work to get a fairer price from U.S. Sugar on the lease-back portion of the deal, an unbelievable giveaway that allows the company to continue to work the land for seven years at one-quarter the going rate. And the company, by agreeing to a fairer market price, could enhance its tarnished Florida legacy.

U.S. Sugar happens to be entertaining another deal for its land. An outfit managing farmland in the South and Midwest, The Lawrence Group, is pitching the company \$500 million, or \$300 per share, and offering to take on up to \$600 million in Big Sugar's debt and liabilities.

But agreeing to knock about \$300 million off the purchase price with the state, bringing it more in line with the land's appraised value, would net U.S. Sugar a comparable amount.

And it would do what has eluded too many other efforts to restore the Everglades: forcefully push it forward.

Copyright © 2008, [Orlando Sentinel](#)