

# ***A Commitment to Regional Stability and Growth***

## **Addressing the Impacts of the South Florida Water Management District's Acquisition of U.S Sugar**

**This document is intended to promote consideration and implementation of a plan that provides for regional stability and growth in the communities primarily impacted by the acquisition of U.S. Sugar Corporation assets by the South Florida Water Management District. The recommendations, suggestions, and comments have been compiled for consideration and possible inclusion into the plan. The suggestions have resulted from community meetings and individual comments. The document is not envisioned as a complete listing of potential actions.**

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**Prepared By Chris Doolin  
See End Note**

**Addressing the Impacts of the  
South Florida Water Management District's Acquisition of U.S Sugar  
*Creating A Plan That Prepares for the Future***

**Introduction and Background**

On the 24<sup>th</sup> of June 2008, a Statement of Principles for the Acquisition of approximately 187,000 acres (or approximately 292 square miles) of the United States Sugar Corporation Property was entered into with the South Florida Water Management District. The proposed purchase price in the statement was \$1,750,000,000. The Statement of Principles was witnessed by Charlie Crist, Governor of the State of Florida. The agreement provided the framework for the possible acquisition of US Sugar property for the purpose of restoring the northern and southern Everglades. A timeframe of 75 days to complete negotiation on the purchase agreement, with a target date for closing the deal, was set at November 30, 2008 was included in the Statement of Principles. The initial deadline for arriving at a purchase agreement will occur on or about September 7<sup>th</sup>.

The proposed Acquisition is a significant initiative with the potential for positive impacts on water flow and water quality in the Everglades and the natural ecosystems in South Florida. However, the proposed acquisition will also have tremendous impacts on the businesses and individuals located in the area. A recent economic impact study conducted by the University of Florida's Institute of Food and Agricultural Sciences entitled "Economic Impacts of the US Sugar Corporation Buyout In Florida" projected a potential loss of 10,711 jobs from the acquisition and an annual statewide economic decline of \$1.6 billion.

The proposed acquisition has created economic uncertainty and concern in the region. The communities in Hendry County, Glades County, and the Tri-cities area will be the most significantly impacted. The communities in Okeechobee, Highlands, Hardee, and DeSoto will also see changes. All of these communities are located in a region designated by the State of Florida as the Florida Heartland Rural Area of Critical Economic Concern and is referred to as the Florida Heartland Rural Economic Development Initiative (FHREDI). All six counties in the FHREDI region are defined as Fiscally Constrained counties by the Florida Legislature. These communities are the least capable of managing a significant economic change.

It is imperative that these broad impacts of the acquisition be understood and evaluated; and all levels of government participate in the inter-related effort to develop and implement a plan of action to address the goals of the proposed acquisition and to sustain existing and enhance future economic and community programs. All of this should occur prior to closing.

**A Plan for the Future – Proposals to Offset Impacts of the  
South Florida Water Management District’s Acquisition of U.S Sugar  
A Commitment to Regional Stability and Growth through  
Economic Development, Infrastructure, Community Programs, and Education**

With the significant potential for further economic hardship and uncertainty in the region, it is necessary to establish a clear commitment to regional stability. It is paramount all governmental partners work together to achieve the stated goals of the proposed acquisition. This will take short-term and long-term assistance to the affected communities in order to maintain community viability, maintain and secure the population base; and, redevelop and enhance local economies and communities.

**Fundamental Principles For the Plan**

*Protecting the existing economic base is essential in moving forward.*

*Stimulating economic growth is critical to the viability of the region.*

*Promoting strong communities is a cornerstone to economic vitality.*

*Excellence in the public schools is a fundamental need.*

*Ensuring public confidence and efficient delivery of services.*

**Protect Existing Economic Base**

Protecting the existing economic base is essential in moving forward. The following suggestions are offered for consideration:

1. Maintain Land in Private Ownership - recommend that all lands purchased from the USSC not necessary for water storage and treatment be sold to private entities to sustain and expand the economic base of the region, with the exception of lands not part of the proposed water storage or treatment that are identified by local governments in the region needed for development, schools, jobs, and parks being transferred to the city, county or school district. - WMD/OTTED/DEP/DCA
2. Protect Agricultural Land and Facilities - Return all lands possible not needed for restoration projects back to agricultural uses and to surplus out other agricultural infrastructure back into the economy so that those processing facilities can continue to serve the local agricultural economy. - SFWMD
3. Maintain Agricultural Production - ensure that the SFWMD take steps to ensure that the purchaser of the US Sugar assets – the Mill, the Juice Plant, and the railroad, continue keep those elements viable and operational in order to maintain regional employment.
4. Expedite Existing Projects - Expedite all available resources on Water Management Projects already committed to by the water management district over the next five years.
5. Fast-track State Transportation Projects - transportation projects in the FHREDI region should be evaluated and fast-tracked to enhance road travel.
6. Release Reverter Clauses - Release all US Sugar Corp reverter clauses on local-government owned land.

### **Stimulate Economic Growth**

Stimulating economic growth is critical to the viability of the region. The following suggestions are offered for consideration:

1. Create Economic Development Fund - The WMD and/or the State of Florida should provide an economic development fund for infrastructure, job creation and retention, and community redevelopment needed to locate new enterprises and additional jobs to the region. This could be administered through OTTED and REDI agencies in concert with local governments.
2. Locate Inland Port in FHREDI community - Commit that the “Inland Port” be located in the FHREDI region and initiate consideration of various plans and proposals to locate the Inland Port in a FHREDI community.
3. Locate Significant Economic Development in Region - Direct OTTED and Enterprise Florida to initiate significant economic development effort to locate a large manufacturer of environmentally friendly products to the area such as, a hybrid or hydrogen cell automobile manufacturer, a solar film or other solar technology enterprise or a wind turbine systems manufacturer with the state providing the needed infrastructure such as roads water and sewer for the facility and OTTED providing the needed job training to transition workers to the new enterprise.
4. Initiate Clean Energy Economic Development Initiative – direct that the WMD assist in using lands in the area for the construction of a variety of clean energy facilities and DCA provide for expedited permitting of Clean Energy facilities.
5. Promote Innovation – OTTED/Enterprise Florida/DEP should develop a plan for innovative approaches, such as the creation of a “Green Energy Research and Manufacturing Park” aligning resources through incentives, funding, and university programs.
6. Promote Eco-Tourism - OTTED/Enterprise Florida/Visit Florida should create specific program to promote Eco-tourism opportunities in the region, including around Lake Okeechobee and the Caloosahatchee River Area.
7. Promote Bio-Fuel Production – Direct DEP and appropriate agencies to expedite consideration of initiatives to target region to enhance ability and capacity for bio fuel production.
8. Locate State Facilities and transfer State and WMD programs to the Region – the Governor’s Office should develop a plan to locate state agency facilities in the impact region and that various division or program elements of State Agencies and/or the South Florida Water Management District be transferred to locations within the FHREDI region.
9. Promote Community Amenities - Stimulate and promote projects that will enhance the community attractiveness and expand employment opportunities. This would include boat ramp and dock upgrades at all public use access points to lakes and rivers. For example – river and lake front improvements and resort type developments. -  
DOS/DEP/FWC

10. Secure Federal Empowerment Zone Status - Support and assist local communities in securing important federal designations such as federal empowerment zone status. - OTTED/Enterprise Florida/REDI
11. Promote Incentives for Resorts, Hotels and Motels – develop plan to promote region for over-night stays and develop incentive program to stimulate the location of additional over-night facilities in the region where they are needed, including hotels, motels, and campgrounds.
12. Designate Hendry and Glades County as Enterprise Zones – designate all of Hendry and Glades County as an enterprise zone under Florida Statutes for the purpose of securing economic benefits for existing and potential businesses.

### **Promote Strong Communities**

Promoting strong communities is a cornerstone to economic vitality. The following suggestions are offered for consideration:

1. Water and Wastewater – Quality Water/ Complete Wastewater Systems – direct DEP to determine a specific plan for the provision of completed wastewater systems and development of a potable water supply for communities in the impacted area and provide funding for water and wastewater infrastructure in impacted communities.
2. Improve Roads – Provide funding for transportation infrastructure. – Florida DOT
3. Strengthen Rail Infrastructure – Initiate plans and funding to improve and upgrade South Central Florida Express Railroad, including expansion to link that rail to assist in providing freight transportation and passenger services from Miami to Tampa.
4. Enhance Health Infrastructure – Provide funding for health related infrastructure – Florida Dept of Health and AHCA.
5. Provide Land for Local Government Facilities – Consider plans for future expansions of local government prior to transferring land to third parties and allow surplus lands not necessary for restoration or needed for agricultural production to be transferred to appropriate local governments.
6. Initiate Waiver of Match – Provide waiver of local match requirements on all program
7. match requirements – OTTED
8. Preferential Treatment in Awarding Grant Funding – Consider preferential consideration for grant funding from state agencies.
9. Provide for Expedited Permitting – Provide provisions for expedited permitting of projects requiring state approval.
10. Gas Lines – Determine how to support and stimulate assistance needed to encourage bring gas lines into all areas of the region.

11. Payment In Lieu of Taxes - Ensure that Payment In Lieu of Taxes Provisions continue in perpetuity for eligible communities regardless of subsequent changes in the legislation.
12. Consider legislation to provide PILT payments for environmental land acquired in this US Sugar acquisition based on future use rather than the current agricultural use. This would offset the tax base losses and the loss of future changes in development.
13. Promote Quality Health Care in the Region – Create partnership with state’s medical schools to create a rural health initiative which would provide valuable educational internships for physicians at the school and provide much needed healthcare access to the citizens of the region.
14. Stimulate Affordable Housing – Initiate funding to expand affordable house opportunities in the region for new single and multifamily residences.
15. Promote Main Street Rehabilitation Projects - Target Main Street and other available funding for acquisition and rehabilitation of local communities. DOS
16. Provide Historic Project Funding – Identify potential historic projects in the region and secure funding for those projects.
17. Upgrade Emergency Operations Facilities – Upgrade EOC facilities and locate an EOC center in Glades County.

### **Enable Excellence in Public Schools**

Excellence in the public schools is a fundamental need. The following suggestions are offered for consideration:

1. Implement and fund the Small School District Stabilization program – Ensure that the Glades and Hendry School Districts are held-harmless at funding levels provided prior to the acquisition and receive funding sufficient to maintain current staffing.
2. Protect Against Declining Enrollment – ensure the continuation of local employment by protecting existing jobs.
3. Provide of Job Training and Workforce Development – Provide enhanced support for vocational and workforce training needed to accommodate enhance economic development opportunities.
4. Provide Payment in Lieu of Taxes – ensure that school districts receive PILT revenues for all parcels included in the proposed acquisition.
5. Fully fund Student Losses – Amend the 50% declining enrollment provision within the FEFP to provide 100% funding of any FTE loses in Glades and Hendry counties.
6. Fully fund Sparsity Supplement in FHREDI counties - the State of Florida should provide funding to fully fund the FEFP Sparsity Supplement to FHREDI counties.
7. Fully fund School Transportation – the State of Florida should provide full funding for student transportation needs in Glades and Hendry county.

8. Technology Upgrades – the State of Florida should partner with appropriate agencies to integrate a high-level of technology resources and training at appropriate levels within the Glades and Hendry School System.
9. Student Health and Nutrition – the Dept of Health should provide resources to provide comprehensive health screening, dental exams, and nutrition programs in the local health departments and local schools.
10. Pre-K and Early Childhood – special resources should be allocated that would ensure year-round available of early childhood, pre-k and childcare programs.
11. Youth Mentoring and Support - a special agency task force should be initiated to provide special mentoring support from community and REDI agency workforce such as FWC, SFWMD, DEP, DOT, and Health.
12. School Safety – provide support to provide school resource officers, crossing guards, and other personnel needed to ensure safe school environment.

### **Ensure Public Confidence and Efficient Service Delivery**

Ensuring public confidence and efficient delivery of services. The following suggestions are offered for consideration:

1. State-level Oversight and Reporting – The Governor should institute a schedule of briefings to update the members of the Florida Cabinet, Senate and House Leadership and Local Governments on the progress of negotiations, planning, and various initiatives designed to achieve the goals related to the acquisition and region.
2. Stakeholder Task Force – the Governor should appoint a task force consisting of representatives of the local governments in the region, Cabinet Offices, key agency leadership, legislative offices and other appropriate entities to review proposals and monitor progress designed to meet the goals of the acquisition and promote economic stability in the region. The task-force should be chaired by the Governor, the Lt. Governor, or a member of the Florida Cabinet.
3. Rural Economic Development Initiative – Top level agency attention is needed in order for agencies to respond quickly to requests for information. The Governor should ensure that agency participation the US Sugar Buyout REDI program meets the high-level staff person standard called for in statute.
4. Timely Responses – the Governor should ensure that all parties provide timely responses to inquiries and contacts related to the acquisition process and the stake-holders are provided information relating to the acquisition with sufficient lead time to have meaningful participation in decision-making process.
5. Land-buying Consultation – the Legislature should amend land buying statutes to require consultation between the buyer and representatives of local governments when proposed purchases will significantly impact local revenue base.

6. Water Management District Membership – the Legislature should consider making the method for selecting all or a majority of the members of Water Management Districts based on the elective process. The membership of the board could be elected based on defined districts to insure regional representation on the District.
7. Post-Acquisition Environment – Steps should be taken to ensure open communication, provide information, eliminate uncertainty, and clarify the post-acquisition environment prior to closing - i.e. potential land transfers, status of programs, etc.
8. A Clear Plan of Action – the Governor and the Florida Legislature should ensure the existence of a clear “Plan of Action” relating to the implementation of the goals of the acquisition and to promote economic and stability in the region. The plan should include specific programs for short-term and long-term implementation geared to sustaining and expanding existing economic activities and initiating specific and targeted effort to bring new economic opportunities to add to existing economic efforts.

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#### End Notes –

The following references were used in compiling these comments:

1. Statement of Principles for the Acquisition of United State Sugar Corporation Property for the Restoration of the Everglades – June 24, 2008.
2. The Proposed US Sugar Acquisition - *Initial Observations and Recommendations* - Prepared by Chris Doolin - July 11, 2008
3. Economic Impacts of US Sugar Corporation Buyout in Florida – UF/IFAS – July 23, 2008
4. Preliminary Request for Short-term and Long-term Projects to Offset Impacts of the South Florida Water Management District’s Acquisition of U.S Sugar – Developed and Adopted by the Glades County Commission – August 2008
5. Resolution 2008 – 96 - A Resolution Declaring the Critical Need for an Economic Transition and Support Plan – Adopted by the Hendry County Board of County Commissioners – August 12, 2008.

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Chris Doolin is the Vice President of Robert P. Jones and Associates, and President of Christian B. Doolin and Associates. Doolin is recognized for his expertise on local government, education, and state government related issues. Doolin has served as a member of several state agency advisory committees including the Florida Dept of Transportation Strategic Intermodal System Advisory Committee and the Department of Environmental Protection Solid Waste Recycling Review Committee. Doolin and his partner Bob Jones have served as governmental consultants to the Small County Coalition and the Small School District Council Consortium. Doolin in Tallahassee, Florida.