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MATCH KANJIAN, VANA IN RACE FOR 'NEWELL' SEAT

08/10/2008
Palm Beach Post

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Voters in both parties have contested primaries but easy choices on Aug. 26 for the Palm Beach County Commission District 3 seat once held by Warren Newell, who pleaded guilty to corruption charges. The Post recommends Shelley Vana in the Democratic primary and Bob Kanjian in the Republican.

Ms. Vana, a three-term state representative, brings experience as an educator and legislator. But she knows alarmingly little about basic county issues. Her solution to help the Glades economy after the U.S. Sugar buyout is ecotourism, not industrial jobs. "There's a potential for Lake Okeechobee," she said, stating the obvious, "if they cleaned it all up and made it a great fishing place." But cleanup of Lake Okeechobee is beyond the powers of county commissioners.

While District 3 contains pockets of poverty, Rep. Vana could come up with only two things she would do for the district: fight crime and improve recreation. She claimed to know that the youth empowerment centers, designed to keep teens away from gangs, aren't working, but she offered no evidence beyond "hearing from people." Her idea of cutting the budget is to eliminate planning positions that seem duplicative. That would not make a significant dent in overall spending.

The saving grace for Ms. Vana -- at least for the primary -- is that former Boynton Beach City Commissioner Carl McKoy knows even less and offers even fewer ideas.

In the GOP primary, retiree Cliff Montross is running on the unlikely chance that Bob Kanjian will get thrown off the ballot because of a dubious residency claim. Commissioner Kanjian, who oversees sales for small homebuilders and owns a title company, was appointed in August by Gov. Crist to fill Newell's unexpired term. He and his family lived outside the district, so he rented a townhouse within the district. He said he is now looking to buy a home in the district.

Commissioner Kanjian's probing questions and displays of arrogance have angered commissioners and staff. But this board of so many long-term incumbents needs a contrarian. For example, this newspaper didn't agree with Commissioner Kanjian's stand against spaying and neutering dogs and cats, but his attention to the issue brought out arguments that otherwise would have been ignored.

Four years ago, then-Republican Newell defeated newcomer Harriet Lerman by 551 votes out of 73,825 cast. The district has shifted further in favor of Democrats. Rep. Vana seems to think that politics alone will be enough against Commissioner Kanjian in November. As even his less-than-admiring colleagues might acknowledge, however, Commissioner Kanjian can be tough and persistent. Unless Rep. Vana studies up, she would be better off avoiding any debates.

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A U.S. Sugar-free Clewiston suits some investors' taste

08/11/2008

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Davie business partners Yasir Khan and Floyd Salkey were driving to a building site near Orlando four years ago when they decided to take the less-traveled road and stumbled on the town of Clewiston.

"It was so charming and under the radar," said Khan. "We thought it was a fantastic opportunity for us to prove ourselves as a young company."

Now Khan, 27, and Salkey, 35, are among a handful of new investors in Clewiston, which is grappling with the news that the main engine of its economy, United States Sugar Corp., plans to sell its assets to the state for an Everglades restoration project and depart in six years.

In the past few years they have been gobbling up Clewiston properties.

Now Khan and Salkey's Big Lake Hotels owns the historic Clewiston Inn. Their Florida's Finest Developers acquired the Clewiston Town Center and their Florida's Finest Villas at Lakeshore partnership built 32 homes and townhomes. They work through approximately 10 limited liability partnerships, all headquartered in Clewiston.

Khan's and Salkey's experience underscores both the potential for the community to diversify its economy and the difficulties that may lie ahead.

Like most people in the town, the youthful entrepreneurs were stunned by U.S. Sugar's June 24 announcement.

"Initially it was a shock," said Khan. "You don't expect them to announce they are going to be shutting their doors."

A report released in July by the Institute of Food and Agricultural Studies of the University of Florida showed the departure of U.S. Sugar would hit the region with lost revenue, job losses and decreases in personal and business income.

The study said that U.S. Sugar, a private company that is the largest domestic sugar producer, currently has estimated annual revenue of \$658 million, and it placed the overall impact from the closure of the company at \$1.639 billion in annual revenue and 10,711 lost jobs -- both direct and indirect.

Although the six-year delay of the corporation's exit and sale of its sugar refinery and mill, citrus processing plant, railroads and other assets will diminish the impact, the study said it could be quite significant, with labor income losses estimated at \$434 million annually.

Most of the impact would be felt in Palm Beach, Hendry and Glades counties, which could expect to lose as many as 8,900 jobs, the study said, underscoring the uphill battle the community and its businesses face in the future.

But Khan said he was optimistic that Clewiston could find new niches.

ECO-TOURISM

"We feel the beauty of the area is really in the ecology and nature," he explained. "That's what we are building on; we're promoting eco-tours."

Cathy Garrels, executive director of Clewiston's Chamber of Commerce, said it will take time for Clewiston residents to work out a future without U.S. Sugar, which was formed in 1931 when automotive mogul Charles Stewart Mott bought the bankrupt Southern Sugar Co.

But investors like Khan and Salkey will help, she said.

Khan and Salkey, who became business partners when the former graduated from the University of Miami, started out doing building rehab projects, before branching out into renovating run-down shopping centers and building homes in South Florida and the Orlando area.

ROAD LESS TAKEN

They often drove to projects they had in Haines City, south of Orlando, and one time in May 2004 decided to take U.S. 27 instead of the Florida turnpike. That's when they came upon Clewiston.

Initially attracted by the low price of land, the two men started buying property, building single-family homes and town homes in a gated community.

In July 2005, through their partnership Florida's Finest Developers, they bought the Clewiston Town Center, the Kmart shopping plaza, for \$2.15 million.

"The old Kmart was a real eyesore," Khan said. "We looked at it and saw a great opportunity to bring some business into town."

New tenants were signed up for the shopping plaza, including headquarters for the partners' companies, the Tractor Supply Co. and state and county offices. A family entertainment complex is planned.

All of the 32 homes and town homes they built in Clewiston are sold or leased, Khan said.

BUYING A LANDMARK

But the two partners are best known for their 2007 acquisition of the 70-year-old Clewiston Inn, a town landmark that is steeped in local history.

"They have made one of the larger impacts on Clewiston in quite a few years," Garrels said. "They have made a lot of

improvements on the inn and the Kmart plaza. It was in bad disrepair when they bought it."

Khan said they approached U.S. Sugar after hearing of the possible sale of the inn, which was listed on the National Register of Historic Places in 1991. When the sugar company announced the \$2.2 million sale to Big Lake Hotels, the company pointed out it was in the sugar and citrus business and not in the hotel business.

U.S. Sugar first built the hotel for visiting executives and dignitaries in 1926. The first building was destroyed in a fire and the present neoclassical revival-style structure was constructed in 1938.

Khan said the big challenge was carrying out a renovation that conformed to historic standards and changing the public's perception that the inn served ho-hum food.

"Getting the renovation done the right way was difficult," Khan said. "Then the real challenge was to bring in a great chef, who happens to be Floyd's -- my partner's -- dad."

They signed up Lloyd Salkey, who has worked in South Beach, resorts in the Caribbean and the Inverrary Country Club in Lauderhill. They also brought back a local legend, the Old South BAR-B-Q, which had closed its doors years before. They found brochures, located the original owners and obtained classic recipes, Khan said.

Besides adding new furniture that matched the original era, they also have started an ongoing project to renovate the 57 suites and rooms, adding WiFi, flat-screen televisions, new beds and bedding and a business center.

"We actually found furniture that was from the era, the 1930s," Khan said.

Khan said it took about six months to bring the hotel's operations out of the red. Now occupancy runs 80 percent or more during the winter months.

The Clewiston Inn also features the Everglades Lounge, which showcases a 1940s mural painted by artist J. Clinton Shepherd depicting the plants and animal of the Everglades in scenes that stretch 360 degrees around the room.

Former President Herbert Hoover visited the inn twice and during World War II, British and U.S. Air Force cadets, who trained in the area, socialized at the hotel.

Today the clientele includes many tourists who are visiting Clewiston for fishing, bird watching or tours of the citrus and sugar areas. Khan said the hotel also does a brisk wedding business.

The downturn in the Florida real estate market, however, has affected much of their business -- especially home building, Khan said. "That is a business that is totally at a standstill," he said.

Khan forecast that the partners' revenue will fall from a peak of \$10 million to \$5 million to \$7 million this year as they focus on warehouses, rental property and other efforts.

But the Clewiston Inn and other investments in Clewiston have paid off, Khan said: "We put some money into the area and it produced for us."

U.S. Sugar deal raises questions about future of industry

08/10/2008

Palm Beach Post - Online

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Downsizing, when it comes to the sugar business, is nothing new.

Since 1985, more than half of the sugar-producing operations in United States have shut down, according to the American Sugar Alliance, the chief lobbying group for the nation's cane and sugar beet growers.

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But shock ran through the rest of the close-knit industry in late June when U.S. Sugar Corp. of Clewiston announced it was selling out in a \$1.75 billion deal to provide land for restoration of the Everglades.

'Of anybody, that is the one company you would think would be the least likely to go out of business. It was a huge surprise to all of us,' said Luther Markwart, executive vice president of the Washington, D.C.-based American Sugarbeet Growers Association, which represents 10,000 growers in 11 states,

Observers cite a number of things that could have been the trigger for U.S. Sugar's decision, from ownership fatigue to employee lawsuits, to an increase in imported sugar into the domestic market.

Robert Coker, U.S. Sugar's senior vice president, said at the time the deal was announced that there was no single issue that made the company's board decide to take Gov. Charlie Crist's offer of a state buyout. It was the right thing to do, for the company and for the Everglades, he said.

But experts in the \$10 billion industry, which employs about 146,000 people nationwide, are raising questions about the challenges sugar growers will be facing once U.S. Sugar exits the scene six years from now.

The rise of foreign sugar

One of the most critical factors is the rise in the number of free-trade agreements the U.S. has reached with sugar-growing countries where production costs are lower and regulation less strict.

'Certainly, it has made making a living in sugar much more difficult over the last few years,' said Carolyn Cheney, the Washington lobbyist for the Belle Glade-based Sugar Cane Growers Cooperative of Florida, one of the state's three sugar-harvesting businesses, all of them in the Glades region.

U.S. Sugar, which grows about 10 percent of the nation's sugar supply, has been well-known in the industry for its fierce opposition to free-trade pacts.

'There are almost 40 different free-trade agreements currently lined up like airplanes on the runway,' Coker told The Palm Beach Post in 2004. 'They are scheduled to land here.'

The U.S. must import 1.2 million tons of sugar annually from 40 countries. The biggest share of that foreign sugar is provided by Mexico.

Under the North American Free Trade Agreement that took effect in 1994, trade between the U.S. and Mexico became totally open and unlimited as of this Jan. 1, said Jack Roney, director of economics and policy analysis at the American Sugar Alliance, based in Arlington, Va.

This year, Mexico is projected to send approximately 600,000 tons of sugar to the U.S., according to the U.S. Department of Agriculture. There's also the Central American Free Trade Agreement, which now allows another 120,000 tons of sugar into the country from Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras and Nicaragua.

A pending pact with Peru allows 12,125 tons of sugar into the country, while similar agreements with Colombia and Panama are not yet approved. Also on the table are sugar-import deals with Ecuador, Thailand, South Africa and the Free Trade Area of the Americas, with 24 sugar-exporting countries in Latin and Central America, Roney said

The Doha round of World Trade Organization talks in Geneva, which might have opened the door to more imports, failed July 30 over the a safeguard mechanism that would have protected developing nations from surges in agricultural imports.

'In the face of a global food price crisis, we simply could not agree to a result that would raise more barriers to world food trade,' U. S. Trade Rep. Susan Schwab said in a statement.

And this past Wednesday, at an American Sugar Alliance symposium in Hawaii, USDA Undersecretary Mark Keenum announced the agency will allow an additional 300,000 tons of refined sugar imports into the U.S. market for fiscal year 2008.

Sugar producers called the action premature and said it would cast a cloud over a sugar industry that has been dealing with depressed prices and soaring input costs for some time, Markwart said.

However, the new farm bill passed this year is expected to make

a difference for the better for the sugar industry, as the USDA has been given more tools to balance the market, such as a provision that surplus sugar go to ethanol production.

'The outlook is brighter,' Cheney said. 'We believe the government will no longer bring in too much sugar.'

Fading family interest?

Nevertheless, U.S. Sugar itself faced challenges of its own apart from the trade picture.

Observers in Clewiston and elsewhere speculate that the Mott family, which controls U.S. Sugar, simply wants to cash out after 77 years. Dividends were not paid this year, and the current generation of Motts doesn't hold the warm spot in their hearts for the agricultural giant that their ancestors did.

'What happens when you have these families, just like Anheuser-Busch, when you get farther down the line and go to the second and third generation, you have more heirs,' said Mike Scott, a Jupiter-based consultant to the sweetener industry. 'They don't care about the company. They care about the money. They want to liquidate.'

Hendry County rancher and native Bobby McDaniel also said that's the talk around town.

'The older people used to like to come down and see the cane harvest and see the whole agricultural thing occurring. The new people don't give a flip. They just want to make some money,' McDaniel said.

In addition to the Mott family itself, which holds 6 percent of U.S. Sugar's shares, pressure to sell could also have come from shareholders such as the Children's Health Center (22 percent) and the Charles Stewart Mott Foundation (19 percent).

The value of the Mott Foundation's publicly traded holdings in 338 stocks such as Citigroup Inc., Dow Chemical Co., Gap Inc., Pepsico Inc. and Starbucks dropped from \$1.475 billion in December 2006 to \$536,514 in March 2008, according to reports filed with the U.S. Securities and Exchange Commission.

The Mott Foundation declined comment, but said in a statement that it is too early for the foundation to respond in any meaningful way on the proposed Florida land transaction. The foundation's minority investment in U.S. Sugar represents, at current values, about 2 percent of the foundation's total assets.

There also have been problems with more recent investments.

U.S. Sugar's new mill, touted as the most automated anywhere as well as the third-largest in the world, debuted this past season. Sugar industry experts estimate its cost at more than \$400 million, and some say the mill didn't meet the company's expectations.

The company's harvest ran over into May, a month longer than usual, and others in the sugar industry say that some cane was left in the fields unharvested as the weather became too hot and the cane deteriorated.

And at the beginning of this year came a federal class-action lawsuit filed by U.S. Sugar employee/shareholders alleging they were shortchanged on their retirement stock payouts. Employees and former employees own about 38 percent of the company's outstanding shares.

The lawsuit, scheduled to go to trial in March 2009, is moving forward. The state buyout deal doesn't dispose of it, said Curtis Miner, a Miami attorney representing the approximately 4,000 employees and former employees affected.

'It shows that all the people who sold shares in the past were truly getting shortchanged,' Miner said, because the \$1.75 billion price tag is much higher than the two buyout offers of \$575 million the company rejected in recent years.

The price prospect

John Alexander, chief executive officer of Alico Inc., a publicly traded agribusiness based in La Belle, said the suit could have presented a 'triggering dynamic' that made U.S. Sugar more receptive to Crist's offer.

Alico's 10,000 acres of sugar cane is harvested and delivered each year to U.S. Sugar for milling and refining, and during the next six years, Alico will figure out what to do with that land.

'They have been a fabulous partner in agribusiness. They are forward-thinking and solid business people. After the next six years, it will be a great loss to the agribusiness community,' Alexander said.

Another more pressing factor for U.S. Sugar could have been price. Cane sugar hasn't made its producers a great deal of profit in recent years.

'These have been difficult times in the last three years for sugar. The price has been in the toilet,' said Cheney, the sugar co-op lobbyist.

Alexander points to the complicated federal price support system for sugar as partly responsible.

'The biggest problem with sugar is it is a commodity regulated by the U.S. government,' he said. 'They have maintained the same price since 1984.'

The sugar program's lending rate will increase 4.5 percent over the next four years, but costs have increased 90 percent over the last 24 years, Alexander said, so it's not much help.

Benjamin Legendre, interim director of the Audubon Sugar Institute at Louisiana State University, said the U.S. Sugar deal was the talk of a Louisiana Farm Bureau Federation meeting in New Orleans, which was being held the same week as the buyout announcement.

Louisiana is the nation's other major sugar cane producer.

'One of the first things discussed was whether this would have a long-term reach and effect on pricing,' Legendre said.

Many in the industry believe that without U.S. Sugar's

contribution, a tighter supply could increase prices farmers receive. On the other hand, Louisiana producers might be able to plant more acreage, or sugar from Mexico might make up the difference.

Whatever the long-term impact, the industry was caught by surprise, Legendre said.

'They kept it very close to the vest. We had no inkling,' he said.

Business has a future

Florida's sugar industry, now comprised of U.S. Sugar, the Fanjul family's West Palm Beach-based Florida Crystals Corp. and the cooperative, has seen its share of closures.

A Clewiston refinery owned by Sugar Land, Texas-based Imperial Sugar Co. ceased operations in 1999. In 2005, Florida Crystals closed its Atlantic Sugar mill in Belle Glade, and in 2007, U.S. Sugar shuttered its Bryant mill near Pahokee.

But news of the Everglades deal brought expressions of sympathy from industry leaders.

'When we see a player go out of business, we are never happy about that. Our first thoughts go to the towns and the people and the lives it affects in that area,' said Markwart, the sugar-beet association lobbyist.

Similar thoughts came from Cheney.

'U.S. Sugar is an old, fine company that you hate to see go down for the sake of Clewiston and the other towns,' she said.

Yet not everyone thinks the deal will spell the end of a way of Florida agricultural life.

Despite the industry's problems, Jose Alvarez, an agricultural economist at the University of Florida's Everglades Research and Education Center in Belle Glade for 31 years, said he expects the Florida sugar industry to continue, even after U.S. Sugar ceases operation.

'Unless there is a draconian free trade agreement, there will be people growing cane in the Glades,' Alvarez said. 'They are efficient. They may be more concentrated, but it will still be here.'

Editorial River still needs local

08/09/2008

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of farm land south of Lake Okeechobee is being justly celebrated, but there's a down side (isn't there always?). The huge cost of buying U.S. Sugar's assets (\$1.75 billion, plus interest) will make it tough to get more money from the state for another project crucial to protecting water quality in the Caloosahatchee River and its estuary. That would be the 10,500-acre, \$500 million "Caloosahatchee River West Basin Storage Reservoir Project," also known as the C-43 reservoir, south of the river in Hendry County, just east of the Lee County line.

We still need that reservoir, as Lee County commissioners re-asserted this week in resolutions to state and federal officials. Here's why. Converting big chunks of farm land south of the lake to receive and cleanse excess water from Lake Okeechobee presumably means that water will not have to be dumped into our Caloosahatchee River system in epic high-water years like 2004 and 2005. That's when hurricanes dumped biblical amounts of water into the lake and its tributaries, forcing heavy releases to the Caloosahatchee of water rich with agricultural pollutants that devastated the river and its estuary.

The resulting algae blooms will not soon be forgotten by the people who saw them clotting the once-pristine waters of J.N. "Ding" Darling National Wildlife Refuge on Sanibel, or streaking the river with green slime, or contributing to the fouling of beaches with dunes of stinking seaweed.

Good water quality is worth billions to a region as dependent as ours on tourism, fishing and boating.

A flowway developed from the U.S. Sugar purchase would help with such massive releases, sending more water south from the lake, where nature intended it to go.

But in more normal years, the C-43 reservoir would still be crucial for storing water during the rainy season for release during the dry winter to maintain healthy salinity in the system.

The reservoir plan, including wells for storing excess summer rainfall, was conceived as a mechanism for smoothing out the excesses of river flow and re-creating a more natural seasonal rhythm of fresh and salt water mixing. It can also help clean pollutants added to the system downstream from Lake Okeechobee. The reservoir was - and still should be - a key part of the federal-state Everglades restoration project.

About \$120 million has already been spent on land and design, most of it from the state which jumped in on several key restoration projects because the feds weren't putting up the money.

Now the U.S. Sugar buyout may make C-43 seem much less pressing to officials based in West Palm Beach. It's critical for the state to keep C-43 moving forward and for our congressional delegation to fight to fund completion of the reservoir. The project is just short of being eligible for the next round of federal water project spending.

Let our delegation know you want C-43 built to protect our river and estuary.

Glades port idea fights for balance

08/10/2008

Palm Beach Post - Online

PAUL QUINLAN

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WEST PALM BEACH Sugar giant Florida Crystals is lobbying to develop an industrial and commercial center about the size of Delray Beach on land it owns south of Lake Okeechobee - right in a proposed pathway for the state's multibillion-dollar Everglades restoration efforts.

Glades leaders and the state Department of Transportation are among the supporters of the so-called inland port, a warehousing and distribution center that would include roads and rails to link seaside ports on Florida's east and west coasts.

The idea has gained momentum as a way to make up for the job losses that would follow the state's proposed \$1.75 billion purchase of U.S. Sugar Corp. But it's a far different vision for the Glades than the one Gov. Charlie Crist and his water managers articulated in June when they announced the purchase of U.S. Sugar's 187,000 acres. Then, they said the deal would fill the missing link in the state's restoration plans, allowing water to resume its traditional flow south from the lake to the Everglades.

Florida Crystals, owned by the Fanjuls of Palm Beach, says water could flow around an inland port at the company's Okeelanta site along U.S. 27, where it operates a mill, refinery, rail spur and biomass power plant. But environmental activists see the port plan as a betrayal - and a sign that money and politics once again may trump the Everglades. 'You're putting something in there before you've decided what you're going to do with the Everglades,' said Drew Martin of the Sierra Club.

Florida Crystals Vice President Danny Martel said the two projects can coexist. 'What we're trying to achieve here is, really, to create a balance between ... economic development, our sugar operation and the environment,' Martel said. In letters and private meetings, Florida Crystals is pressing Palm Beach County commissioners to approve the necessary land-use changes on 9,000 acres of company-owned farmland at Okeelanta. Until last week, the company was requesting changes for 16,000 acres, a swath larger than Manhattan.

Company executives have met with Glades residents, rallying supporters for a presentation Aug. 19. Meanwhile, environmentalists want the port planning to stop until the state announces how the restoration will work and secures all the necessary land. 'We really need to wait for the science,' said Lisa Interlandi, regional director for the Everglades Law Center. 'When development proposals come before you have the science developed, you end up with development limiting options for restoration.' The Florida Crystals trump card is the fact that it owns about 45,000 acres, including the proposed inland port site, directly south of some of U.S. Sugar's property. The state

probably would have to bargain for some of the Fanjuls' land to carry out the sweeping environmental repair job.

Why rush an inland port? South Florida will require about 80 million more square feet of distribution capacity during the next 20 years, according to a state Department of Transportation consultant's study. The inland port is also part of a grand strategy to help South Florida capture a share of the expected increase in mega-freighter traffic flowing from Asia to the eastern seaboard via the Panama Canal, where enlargements are expected to be done in 2014.

Combined with improvements to rail lines and seaports, the inland hub would let the coasts handle a larger volume of cargo by whisking incoming shipping containers to the Glades for storage, breakdown and distribution.

For the Fanjuls, such a port would diversify their business at a time when falling trade barriers have left the once all-powerful Florida sugar industry facing an uncertain future. The project could yield millions of dollars in leases to companies and myriad supporting players, such as truck stops.

Butch Jones, a Glades County commissioner and locomotive engineer for U.S. Sugar, said planning should begin immediately. 'You have 1,700 people here who are waiting for some kind, any kind, of answer,' said Jones, referring to the employees of U.S. Sugar who expect to lose their jobs. 'And if you can give them a job future, then I think you should start now.' Some economic forecasts make a convincing case for an inland port.

A University of Florida study released in July predicted that Palm Beach, Hendry and Glades counties would sustain a \$1.43 billion economic blow and lose 8,935 jobs when U.S. Sugar closes in 2014. An inland port would make up for that more than threefold, creating 32,000 jobs by 2015 and 65,000 by 2025, the state Department of Transportation says.

By 2015, it would generate an annual \$1.8 billion in personal income, \$1.2 billion in business revenue and \$164 million in taxes, according to the department. Those figures would roughly double by 2025.

County officials say the port and its primary facilities may cover only 3,500 acres. Secondary businesses could fill the surrounding land.

But Interlandi said the land-use changes would open the door to a variety of industrial and commercial projects on all 9,000 acres, including rock mines or housing. 'You end up creating a new city,' she said. Florida Crystals spokesman Gaston Cantens said the company has no plans for homes around Okeelanta.

The port concept has attracted the interest of other major landowners, who have proposed alternative sites.

All will go through a selection process, but the Fanjuls seem to have the upper hand. State Department of Transportation planners and some port officials have said they favor the Fanjuls' property. Palm Beach County Commissioner Bob Kanjian, who started the county's new Green Task Force, said planning for an inland port should move forward. 'We need to work on the inland

port issue, and we need to work on it quickly,' Kanjian said. 'The opportunity we have for economic growth here ... is incredible.' But Commissioner Karen Marcus had county attorneys draft a moratorium on zoning changes in the Glades that would affect mines, a proposed landfill and the inland port. It awaits a vote.

The South Florida Water Management District, architect of the restoration plan, has refused to comment on the port idea. It said only that the restoration would be a managed system of water storage and treatment and the full potential of the U.S. Sugar land would be evaluated after the scheduled Nov. 30 closing of the state's purchase. Marcus said she understands that the district is 'kind of supportive' of putting the port at Okeelanta and probably will not object at the presentation Aug. 19. But she is less comfortable. 'I know the inland port is very important to the Glades. I'm just not sure this is the right spot,' Marcus said. 'With all that property out there, there has to be some place where they can do this and not still be in this footprint.'

TOLL ROAD THROUGH THE EVERGLADES HAS ATTRACTED 6 BIDDERS

08/10/2008

Channel 12 News Sun - WPEC

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THE CREDIT CRUNCH AND INVENTORY GLUT IN THE HOUSING MARKET WILL CONTINUE TO AFFECT SALES AND HOMEBUYERS WILL BE SCARCE WITHIN THE NEXT SIX MONTHS. THE PROPOSED CONTROVERSIAL SALE OF ALLIGATOR ALLEY TO FOREIGN SOUTH FLORIDA'S REAL ESTATE MARKET STILL IN THE DOLDRUMS WITH NO RELIEF IN SITE. THE LEGISLATION PASSED BY CONGRESS DESIGNED TO IMPROVE THE HOUSING SITUATION WILL HAVE LITTLE EFFECT ON THE SOUTH FLORIDA MARKET. THE CREDIT CRUNCH AND INVENTORY GLUT IN THE HOUSING MARKET WILL CONTINUE TO AFFECT SALES AND HOMEBUYERS WILL BE SCARCE WITHIN THE NEXT SIX MONTHS. THE PROPOSED CONTROVERSIAL SALE OF ALLIGATOR ALLEY TO FOREIGN SOUTH FLORIDA'S REAL ESTATE MARKET STILL IN THE DOLDRUMS WITH NO RELIEF IN SITE. THE LEGISLATION PASSED BY CONGRESS DESIGNED TO IMPROVE THE HOUSING SITUATION WILL HAVE LITTLE EFFECT ON THE SOUTH FLORIDA MARKET. THE CREDIT CRUNCH AND INVENTORY GLUT IN THE HOUSING MARKET WILL CONTINUE TO AFFECT SALES AND HOMEBUYERS WILL BE SCARCE WITHIN THE NEXT SIX MONTHS. THE PROPOSED CONTROVERSIAL SALE OF ALLIGATOR ALLEY TO FOREIGN SOUTH FLORIDA'S REAL ESTATE MARKET STILL IN THE DOLDRUMS WITH NO RELIEF IN SITE. THE LEGISLATION PASSED BY CONGRESS DESIGNED TO IMPROVE THE HOUSING SITUATION WILL HAVE LITTLE EFFECT ON THE SOUTH FLORIDA MARKET. THE CREDIT CRUNCH AND INVENTORY GLUT IN THE HOUSING MARKET WILL CONTINUE TO AFFECT SALES AND HOMEBUYERS WILL BE SCARCE WITHIN THE NEXT SIX MONTHS. THE PROPOSED CONTROVERSIAL SALE OF ALLIGATOR ALLEY TO FOREIGN UP. THE 78 MILE TOLL ROAD THROUGH THE

EVERGLADES HAS ATTRACTED 6 BIDDERS WHO'LL ANTE UP AN ESTIMATED ONE BILLION DOLLARS FOR THE BUY. LAST YEAR, STATE LAWMAKERS PASSED A BILL AUTHG THE SALE OF STATE TOLL ROADS AND BRIDGES WITH THE EXCEPTION OF FLORIDA'S TURNPIKE TO RAISE MONEY. ALLIGATOR ALLEY'S TOLL IS NOW \$2.50, BUT IF THE SALE TAKES PLACE TO A PRIVATE COMPANY THE TOLL WILL BE HIKED TO AROUND \$10 BUCKS, ACCORDING TO NUMEROUS CRITICS OF THE SALE. US SUGAR EXPECTS TO NET AROUND \$150 MILLION DOLLARS A YEAR FOR THE NEXT 6 YEARS BEFORE IT'LL BE WIPED OUT BY THE \$1.7 BILLION DOLLAR SALE TO THE STATE OF FLORIDA, WHICH WILL USE US SUGAR'S 175,000 ACRES FOR EVERGLADES RESORATION. THE SALE PRICE WORKS OUT TO \$9,400 DOLLAR AN ACRE, WHICH IS A SUPER PREMIUM PRICE FOR GLADES AREA FARM ACREAGE THAT USUALLY RUNS AROUND \$4,000 DOLLAR AN ACRE.

Crist listens. Will it help?

08/10/2008

Sarasota Herald-Tribune - Online

Joe Follick

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t 12:58 a.m.

TALLAHASSEE - The past few weeks have revealed the depths of the dreariest economic downturn in recent Florida history.

Property values in Florida dropped \$153 billion since last year. WCI Communities, one of the state's largest developers, filed for bankruptcy.

And state economists are expected to report on Friday that tax revenues have slowed to the point where trust funds for health services will be tapped to pay for state government.

Gov. Charlie Crist's reaction? Visit a Tallahassee barber for an \$11 haircut meant to display his personal frugality, nosh on cornbread at an Orlando restaurant, and feel the pain of other small businesses around the state as part of a campaign-like 'listening tour.'

'We're listening to as many people as we can to try to get more ideas about how we can help spur on Florida's economy,' Crist said. 'We're listening and learning from them and I think that's important to do every day.'

Democrats are feasting on Crist's 'listening tour' for political fodder.

'Empty Chair Charlie' is so out of touch with Florida, he does not even get why he is out of touch,' said Florida Democratic Party spokesman Eric Jotkoff. 'In this time of economic uncertainty, Floridians want real leadership and concrete ideas on how to end the Republican recession, not photo ops and publicity stunts.'

But the reality is that the governor's ability to provide immediate help is limited, and sympathetic visits to average Floridians may

be the extent of action until lawmakers meet again next year.

No tax cut or spending plan from government would be enough to immediately revive an economy the size of Florida's, and the state has no money to spend anyway.

Lawmakers, who would have to approve any major stimulus package, are focused on their own re-elections and have no appetite for a special session.

Some of the efforts Crist has made -- such as Friday's announcement sent to reporters around the state that, in an effort to strengthen the economy, the governor has ordered the creation of a task force to study issues 'impacting Florida's music recording industry' -- seem underwhelming.

Other efforts, such as his recent economic development trip to Europe, are hard to quantify, though Crist's aides say it will lead to major overseas investment in Florida.

Richard Scher, a University of Florida political science professor and gubernatorial historian, said Crist's predecessor, Gov. Jeb Bush, 'had it easier' after a post-9/11 downturn when the state had money to expedite construction projects to buoy the economy.

'At a minimum, Bush could tell Floridians -- correctly -- that he was doing what he could, recognizing that governors have a very small role in directing the state's economy,' Scher said. 'Charlie's in a tougher spot because there is no discretionary money. I think the real issue is not the listening tour, but is it a 'hearing' tour? What is Charlie learning from all this, or is it just a series of nice photo ops and another attempt to impress the McCain people that he is 'VP stuff'?'

Jim Krog, the former chief of staff to the late Gov. Lawton Chiles, said Crist is right to engage in the TV-friendly tour.

'The public has to believe the governor feels what they feel and cares what they care,' said Krog, now a lobbyist. 'They're not looking to him for any grand scheme.'

Krog compared Crist's visits to the political imperative for a politician to be on the scene in the immediate aftermath of a hurricane or other disaster.

'When Katrina is there, you've got to be on the ground,' Krog said. 'You've got to have the smell of the flood in your shirt. Is that symbolic? It sure as hell is. But it's very important to show that you're concerned because for the Floridian and the voter, that makes that difference.'

Crist has been doing more this summer than complimenting the cornbread at Johnson's Diner in Orlando.

He reversed his previous opposition to offshore oil drilling, saying fuel costs were hurting Floridians too badly. He reversed last year's vetoes of infrastructure projects in the state budget to maintain some spending.

And he went to Europe and Russia on a 12-day trade mission that he touted as a tool to generate investment in the state.

But some portrayed the trip as a \$250,000 boondoggle that saw Crist stay in high-priced hotels with his fiance and visit Prince Charles.

'I don't know what the European trip was all about except maybe a pre-honeymoon and to try to act like he is trying to drum up business,' Scher said.

On Thursday, Crist's office touted 'actual and expected sales of more than \$101 million' from the trip that would create '2,245 high-tech jobs in Florida's aviation/aerospace and defense industries.'

A request to the governor's office for details on the investments produced no concrete examples. Sterling Ivey, a spokesman for Crist, said the exact agreements were confidential.

Crist's most ambitious move in Florida's summer of gloom may only deepen the economic malaise. In June, he landed a historic deal to purchase U.S. Sugar with \$1.7 billion from the South Florida Water Management District. The move may protect the Everglades, and result in lower long-term costs.

But a University of Florida study said that in a worst-case scenario, the plan could result in \$1.5 billion of lost economic activity and 10,700 fewer jobs if the farming communities around Lake Okeechobee are virtually shut down as a result of the deal.

Many of those jobs are in the district of Sen. Dave Aronberg, D-Greenacres.

'I think that so far there's not been much talk about the people affected by the buyout,' said Aronberg. 'I definitely think that there could have been a better outreach.'

But like most lawmakers from both parties, Aronberg spares Crist from any criticism. And he applauded the governor's 'listening tour' as a needed move to show some compassion.

'You can't say we're going to pass a law that is going to fix everything,' he said. 'Symbolism matters a lot in politics. It's important that people know their elected officials are paying attention.'

Throughout his career, Crist has excelled at political timing, tone and touch. Despite the slow plummet in the state's economy, most recent polls still show a healthy majority of Floridians approve of his job performance.

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Also attending was Serge Osaulenko, the 25-year-old owner of the Crepevine restaurant in Tallahassee.

He said he was a bit nervous about his first meeting with the governor, but now plans to write him a thank you note.

'Here I am, invited to go in and speak my mind,' said Osaulenko. 'It was very comforting to know that someone there is listening.'

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