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On sugar deal, it's try, try and try again

Maybe for Gov. Charlie Crist the third time in his dance with U.S. Sugar will be the charm. The latest version of the governor's proposal to buy land for Everglades projects is much improved over the previous two offers. The price is about a third of the \$1.75 billion first offer, and it buys less than half of the original 180,000 acres. Now, the deal is affordable -- a concession to the recession -- and some of the unattractive features have been removed or changed for the better.

Here's how the deal now stands: For \$533 million, the South Florida Water Management District gets 72,500 acres, with an option to buy 107,500 acres within 10 years at fair-market value at the time of acquisition. A portion of the land, 40,500 acres, will be leased back to U.S. Sugar at \$150 per acre. This will allow sugar farming to continue for at least seven years. Some of this land, about 3,000 acres, will be set aside for economic development projects in nearby communities.

Obviously, the revised version benefits both U.S. Sugar and the state. The company gets a partnership with the state and subsidies for three years, and possibly longer. This version of the deal is for land only and doesn't include other property such as the sugar mill and refinery. So, the company gets cash with which it can pay down debt on the properties. For the state, the \$150-per-acre lease-back is much closer to the true value of the land. The state was getting rooked on the lease arrangement in the previous deals, which priced the land at \$50 per acre. Also, the 3,000 acres for economic development is hugely important. The land is strategically located to benefit the communities. It is tangible evidence of the governor's commitment to help those communities whose leaders had begun to doubt Gov. Crist's ability to deliver on his promise to help them. Moreover, the deal assures local workers of at least seven years of employment.

Floridians can thank the rapidly deteriorating economy for forcing the governor to rescind the earlier deals, which, frankly, were beginning to look unsustainable. The revised deal means the state will make smaller payments on its debt, which, in turn, will make it easier for the district to continue with its core missions, such as operation of the flood-control system. The district also gets breathing room to complete pending projects like reservoirs to protect the St. Lucie and Caloosahatchee River estuaries.

All in all, the revamped plan is a reasonable compromise that will allow the state to get off to a good start on building reservoirs to protect South Florida from flood and drought and clean up the agricultural runoff that threatens wildlife and the Everglades.

Critics worry that the district will not exercise its option to buy more land, which, considering the vagaries of money and politics is a valid concern. However, Gov. Crist's commitment to and high visibility with the project create strong pressure to complete the deal. Critics say the state is paying too much for the land and note that the state is buying scattered tracts that don't create a "flow-way" between Lake Okeechobee and the Everglades. The state should press for the best price it can get, but in the end the revised deal has the right configuration of land to keep the district busy on projects essential to meeting its long-term goals. Some of the parcels are ideal for building estuaries that clean up farm runoff, while other tracts are better suited for reservoirs.

The revamped deal isn't perfect, but it is better than the previous offers and shows that the state has learned from its mistakes. It is good enough to get the state started on the most ambitious conservation project ever.

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