



SOUTH FLORIDA WATER MANAGEMENT DISTRICT

NEWS RELEASE

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SFWMD Strengthens Public Assurances and Financial Safeguards for Land Purchases

District takes further steps to protect public investments

West Palm Beach, FL – The South Florida Water Management District (SFWMD) is implementing initiatives to strengthen the public process and safeguard public investments while negotiating the potential acquisition of the land and assets of United States Sugar Corporation in an historic effort to revive and restore America's Everglades. The initiatives are specifically designed to address the significance and considerable investment of this *River of Grass* restoration opportunity.

The first initiative calls for an independent review of the potential United States Sugar Corporation transaction by an external group of financial experts to ensure value for this investment and a fair price for South Florida taxpayers. The District has selected the Duff & Phelps Corporation to provide what is known as a "fairness opinion" on the proposed acquisition. The New York-based firm, which provides independent financial advisory and investment banking services, will deliver an opinion as to whether the transaction is fair, from a financial point of view, to public stakeholders.

The Duff & Phelps group will scrutinize appraisals, property and all aspects of the transaction and provide an independent report on the value of the acquisition. The group's findings will become part of the public record.

"These actions reflect this Board's ongoing commitment to safeguard the taxpayers of South Florida," said Eric Buermann, SFWMD Governing Board Chairman. "These steps provide the financial assurances that our citizens expect and deserve as the District negotiates this large, complex and important purchase. Independent reviews add another layer of expertise to guarantee that the public receives the greatest return on its investment."

A second initiative, previously in use, amends and strengthens a “Beneficial Interest and Disclosure Affidavit” to provide further safeguards for taxpayers’ monies. It will be used for all land acquisitions by the District to support environmental restoration, water quality improvements and flood control efforts.

The strengthened “Beneficial Interest and Disclosure Affidavit” identifies anyone who may benefit from a land purchase with the District and requires disclosure of their interest in the transaction in writing. Florida law already requires parties who have a 5-percent or greater interest to disclose that information in any land acquisition negotiations with a state agency.

The District now requires anyone – regardless of the percentage of their ownership stake – to disclose their interest. The District also now requires anyone who stands to profit if a land purchase succeeds to disclose that gain to the public. The SFWMD Governing Board directed the District to take this additional step to ensure that all public dollars invested during a land acquisition are utilized only for acquiring land and not on consultant’s fees or other undisclosed costs, with the exception of attorneys’ fees.

“Acquiring land for the benefit of the environment and the people of South Florida is essential to the District’s mission,” said the SFWMD Director of Land Acquisition Ruth Clements. “These initiatives will further ensure that all public money set aside for land is spent directly on the land itself.”

The affidavit wording and format was approved today by the Governing Board. Its use is effective immediately for all land acquisitions involving the District. A copy of the affidavit is available here: [Beneficial Interest and Disclosure Affidavit](#).

“Together, these initiatives will further protect taxpayer funds, enhance accountability and transparency and strengthen the District’s commitment to upholding and sustaining the public trust,” said SFWMD Executive Director Carol Ann Wehle.

As part of a historic plan to revive the *River of Grass*, the District is negotiating the acquisition of as much as 187,000 acres of agricultural land owned by the United States Sugar Corporation. The vast tracts of land in the Everglades Agricultural Area would be used to reestablish a part of the historic connection between Lake Okeechobee and America's Everglades through a managed system of storage and treatment and, at the same time, safeguard the St. Lucie and Caloosahatchee rivers and estuaries.

Acquiring the enormous expanse of real estate offers water managers the opportunity and flexibility to store and clean water on a scale never before contemplated to protect Florida's coastal estuaries and to better revive, restore and preserve the fabled *River of Grass*. The acquisition is subject to independent appraisals, due diligence, financing and approval by the District's Governing Board.

For more information about this historic Everglades restoration opportunity, visit this District web site: www.sfwmd.gov/riverofgrass.

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About the South Florida Water Management District

The South Florida Water Management District is a regional, governmental agency that oversees the water resources in the southern half of the state – 16 counties from Orlando to the Keys. It is the oldest and largest of the state's five water management districts. The agency mission is to manage and protect water resources of the region by balancing and improving water quality, flood control, natural systems and water supply. A key initiative is cleanup and restoration of the Everglades.