

**Speech given by
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**Water and Land Management in Florida
Old Challenges in the New Economy**

at

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Good evening! It's a pleasure to join you again here at the University of Florida, and see familiar faces, covering such a broad range of expertise, who have contributed so much to improve this state.

My life has been greatly enhanced working with, and for, Senator Graham. As Governor, he appointed me to the South Florida Water Management District Governing Board. He then called on me to serve on the South Florida Regional Planning Council, advising me that the overlap was "good experience". Later, in the same timeframe, he dismissed the members of the Florida Keys Aqueduct Authority and replaced them with five members from the South Florida Water Management District. Yes, I was one of the five. When I protested that this was "too much", his response was predictably familiar: "good experience".

And he was absolutely right ! Public service, in its myriad of forms, isn't just "good experience" it is a great experience. I know of no more rewarding challenge than working to solve the pressing social and environmental issues we face. I'm delighted that you are all here with an interest in public service, and that Senator Graham has created this Center to provide a forum to discuss the issues governments must address, the moral dilemmas elected and appointed leaders face, and the developments of solutions to our social challenges.

Just imagine if, instead of now training the next generation of government leaders, we had been able to train the past generations of leaders; we might be looking at a much different future – financial, environmental, and ethical - than the one immediately before us.

As most of you know, I entered Florida government in a variety of advisory roles. Under Governor Farris Bryant, I explored the murky waters of shipwreck salvage.

I campaigned across Florida with candidate Claude Kirk Jr. – a long hot, sweaty, summer and into the fall. It was a real education - full of energy, good humor, and the endless challenge of getting laundry done while always on the move.

Following his surprise election, my wife of only four years, and I attended his inauguration on one of the coldest days in Tallahassee history. Shortly afterwards, while picnic lunching in the Governor's office, he walked with me to a tiny nearby office and said "I can't pay you, but if you believe in all that conservation agenda of yours, become my environmental advisor." My wife almost divorced me, but for \$1.00/year I went to work for Governor Kirk. He was a conservative populist - the first Republican governor since Reconstruction – who was

determined to overturn the vast bureaucracy which 99 years of single party government had created.

The number of agencies, bureaus, and paid commissions was mind-boggling. The system seemed devised more as a legislative retirement home than a functional government. Kirk, with relish, attacked the pillars of the establishment. The newspapers thought he was reckless, cavalier, arrogant, even a clown. But he certainly changed Florida ! My role initially was to steer the volatile energetic man to the causes I passionately believed in to improve water quality and to protect natural systems. I urged him to help kill environmental disasters such as the Barge Canal, Upper St. Johns Project, Four Rivers Project, and later, the Everglades jetport. The supporters of those projects were furious. Philip Wylie had called the state "The Polluted Paradise" - the coast was ringed with sewage plants discharging raw or inadequately treated waste. Discharges into the St. Johns River carried communicable diseases ! I wanted water quality standards and tertiary treatment programs. The Governor never flinched as his powerful campaign contributors clamored for my head.

Kirk delighted in his role as an attack dog and flamboyant innovator. He learned the vale of the TR bully pulpit. No one ever enjoyed being Governor as much as Claude Kirk !

After helping form Florida's Department of Air and Water Pollution Control, the predecessor to the Florida Department of Environmental Protection, I became the first chairman as we set out to establish Florida's first state air and water quality standards, to curtail dredge and filling for the creation of instant real estate, and to move the goal of environmental stewardship forward. Gov. Kirk urged passage of the first green bond issue. His defeat ended four years of extraordinary activism; not always coherent, but always energetic.

I was surprised, but gratified when Governor-elect Askew asked me to stay on as his conservation advisor and department head. His management style was certainly far different than Governor Kirks ! He viewed his role more as "enlightened stewardship" - with no nonsense and no impropriety, allowed.

Having inherited the intuitional reforms of the Kirk era, he moved skillfully to consolidate power, and with an amiable legislature, contrived to continue to shape the "old" Florida into the "new" Florida. Governor Askew made it clear that he set policy; I was to advise him of issues and options, and then implement his programs. He expected carefully crafted written memorandums that accurately, fairly, and succinctly described the problem and provided a sound analysis of his options. It was an exercise, or as Gov. Graham would say, a "good experience" that would prove invaluable when I left Florida to become Asst. Secretary of the Interior under Presidents Nixon and Ford.

I've already mentioned how Bob Graham welcomed me back to Florida after my federal tenure with another series of state appointments. Scattered through these years are also a variety of local and state land use and water resource planning commissions, committees, groups, teams etc. In 1990 I served Gov. Martinez as chairman of the Commission of the Future of Florida's Environment. We recommended the nation's most impressive land acquisition program. More than two million acres later, many of our states natural treasures have been acquired and preserved.

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This evening I'd like to address two specific issues of critical importance to our home state: comprehensive land use planning – sometimes simplistically jargoned as “growth management”, and water resource management. Either topic alone could encompass all my available time tonight, and indeed the topics are tightly intertwined, but I would like to address each of these topics in the very specific context of our current economic situation and how this is influencing important policy considerations. My comments reflect my personal perspectives from all the “good experiences”, as well as a few bad experiences, over my past forty years of public service in Florida.

As students, and faculty, you sit here tonight as victims of gross financial mismanagement on a national scale. You had nothing to do with creating it, but you face the loss of hundreds of millions of dollars in support funding for this institution, the promise of even higher personal costs to participate, and the continued degradation of an educational system already embarrassingly under-funded and supported. And as you well know, this depressing economic climate extends to state, federal, and international levels. How did Florida get here ?

Much of our current dilemma may be due to the fact that Florida has always been the ultimate “pyramid scheme”. The Ponzi premise – as long as you can recruit new suckers to pay back the existing club members – you’ll be okay. This pretty much sums up the management strategy of Florida over my 40+ years of observation and participation. I would invite you all to name one public program in Florida – transportation, education, public health, environmental resource management, where we have actually put the cost of meeting the immediate needs upon the immediate population. Florida’s history has been to expect that future growth will cover the cost of the current needs – next year’s new taxpayers will get the bill for existing infrastructure deficiencies – and their new demands will in turn be paid, not in full by them, but by their successors. As the *St. Petersburg Times / Miami Herald* staff in Tallahassee recently reported:

“For years, governors and legislators relied on population growth to create jobs, avoid raising taxes, and shield the state from recession. They saw Florida’s population swell annually by 2 -3% per year, adding the equivalent of a new Miami or Tampa each year”.

We’ve marketed ourselves as a low-tax, low-cost retirement haven. We have further convoluted the scheme with an absolutely archaic tax scheme, full of exemptions intended to provide short-term growth incentives but higher future costs – which will supposedly be covered by distributing those costs over a larger taxpayer base in the future. FSU President *T.K Wetherell* reportedly sees a state unwilling to face its challenges and noted recently:

“You can’t be a world-class state and use the tax system that we have. This system is not going to produce the resources that we need to run one of the largest states in the nation and provide the services that people want. You can’t keep putting band-aids on it”

Florida, from her very beginning, has embraced “growth” - with almost no limits - as a mantra. Now we are falling victim to the downside; if we don’t keep growing, the pyramid can’t be sustained.

Historically, Florida has been an early escapee from hard times, but we won’t be this time ! A primary reason ? Florida’s residential and commercial building spree has resulted in a

vastly overbuilt market with, by some estimates, at least two years of inventory. How fast have we collapsed? *The Times/Herald Tallahassee* staff reported that Florida led the nation in job growth in 2005, and now leads the nation in job losses. After five years of double-digit increases in housing starts, it is now second in the nation in foreclosure filings. They concluded their assessment by noting that:

“...in the most important indicator of a productive economy, gross domestic product, Florida led the nation in 2005 and now ranks 47th”.

Of course, it is not our human nature to pause and critically reflect on the future when all is going well, but the new conditions are generating some interesting new assessments:

The states *Chief Financial Officer*, Alex Sink was quoted recently saying:

“We can’t rely any more on attracting fixed-income retirees from up north and selling them cheap land. Those days are over.”

Up until less than two years ago, this statement would have been branded as pure heresy across the breadth of Florida! But even development interests are recognizing that we’re entering a new era in Florida.

The *Palm Beach Post* - most appropriately in their 2009 New Years Day editorial – summarized brilliantly our past and possible future:

“For decades Florida and the officials running the state, counties, and towns have perpetrated the myth that growth will pay for itself and provide a prosperous lifestyle for everyone who buys into the myth. With special tax breaks for long-time residents, the expectation that an ever-increasing supply of newcomers, snowbirds and tourists would pay most of the bills was as enticing a Ponzi scheme as any that Bernard Madoff promised. Now, Florida’s growth scheme has collapsed. The growth myth should collapse along with it. Yes, the real estate market will come back – let’s hope in a more rational form. But unbridled growth never again should be seen as Florida’s perpetual money machine.”

Some might argue that Florida hasn’t really had unbridled growth, but rather truly managed growth, some have said over-managed – a rather hard premise to accept given the obvious massive over-building which has glutted the state. Let’s review the recent history of growth management efforts.

After the passage of the 1972 Land and Water Management Act, it became clear that land development specifically needed attention, and in 1975 the *Local Government Comprehensive Planning Act* was adopted. Although this legislation laid a solid foundation for mandatory statewide comprehensive land use planning, the state’s oversight role was only advisory. A series of events, including population growth and growing complaints about actual implementation led to the adoption of the 1984 *State and Regional Planning Act* and the 1985 *Growth Management Act*, which revised many aspects of the earlier 1975 law but gave the Department of Community Affairs – DCA – veto authority over local plans and amendments. In 1992, further changes to growth management laws, including the repeal of regional planning council veto authority over *Developments of Regional Impact* were adopted.

The years of Governor *Jeb Bush* led to great discontent within the environmental community regarding growth management. There was a distinct change of emphasis that stressed “cooperation” and “alternative, marketplace solutions” *versus* what some perceived as strict adherence to the law as written. Several unsuccessful attempts were made in the Legislature to weaken DRI and comprehensive planning requirements during this period. Rather than confront the large public and institutional support for growth management controls, the budgetary process has become the tool to curtail growth management. In the early 1990’s - during the height of DCA’s efforts to implement the 1985 law - it had a staff of more than seventy professionals, two field offices, and three separate divisions. By the end of the Bush administration, the field offices were gone, one division had been reassigned to the Governor’s Office, and fewer than thirty professionals remain.

Over the past ten years, the mission and responsibilities of the DCA have been continually reduced until we have reached the point where according to current DCA Secretary *Tom Pelham*, the agency is barely able to fulfill its statutory mission.

We have just watched another painful exercise in budget cutting by the Florida Legislature to address the continuing revenue shortfalls. There was no real consideration of additional revenue sources, partly because of the perception that, with less than six months left in the fiscal year, it was too late to generate any significant new income, and partly because of the legislatures’ pathological fear of the “T” word.

A further **\$5 billion budget shortfall** is predicted for next year, leaving only two options: further cuts in spending or additional revenue income. I expect that the legislature will be forced, reluctantly, to consider additional revenue sources. Higher “sin” taxes such as cigarettes or Internet taxes are easy, but reform of our tax codes will require real courage.

Traditionally, when the economy has faltered, we’ve looked at incentives such as tax breaks, or the relaxation of governmental restrictions to jumpstart the money machine. I expect proposals to relax environmental rules, or even eliminate the Florida Department of Community Affairs, and/or all comprehensive planning will surface next year as possible “quick fixes”. Some of the same interests who gave us the current market glut, are sure to raise the argument that they need unbridled freedom to respond to “market conditions”, that the “planning process” takes too long and will impede recovery. Private landowners who still believe that unrestricted property rights are a divine right will certainly join in any opportunity to eliminate growth management programs.

I think that all the discussions need to face the fact that sound economic policy must also be sound environmental policy – or we’re just once again pawning the true costs into the future - with compounded interest !

The current economic catastrophe has placed us squarely at the crossroads of Ponzi Place and Sustainable Avenue. Despite all the voices saying we need to change direction, it remains to be seen if we will, or whether we will try to characterize the current situation as a “perfect storm” that will never happen again once we just get going fast again – and try to make it back to “business as usual”.

This debate will also expose the dichotomy between what we say we want from politicians, and what we actually accept. In times of stress, especially, we hear calls for “leadership and courage”. But re-election is much more dependent upon following the public will than trying to lead it – and the public will is currently much more concerned with immediate personal problems than the long-term future of Florida. We need to recognize that many Floridians would willingly accept another future problem in exchange for an immediate fix to their financial woes. With hundreds of approved projects dormant for lack of funding, and with an estimated two-year glut in existing housing and commercial space, we should feel no urgency to encourage more ticky-tac. It will be a long-time (if ever) before fixed income retirees in the north again contemplate mass-migration to Florida. This bleak economic situation affords Florida a unique opportunity to reconsider our land management planning programs.

We somewhat adopted the catchphrase “smart growth” to imply greener, more sustainable efforts. It’s been perhaps most accurately considered a desirable “goal”.

I would argue that any growth that doesn’t pay for itself isn’t smart at all!

We now have the time, and hopefully the economic incentives, to move to become a real guiding principle in future planning.

We need serious policies that would:

1) **Promote infill** and rehabilitation of existing urban areas over creating new towns. The argument for years has been that remote vacant land is cheap, and building on a blank slate is faster and cheaper – so we’ve gone toward new communities in the boondocks.

2) In the clamor of education, transportation, construction needs etc., we also need to pay special attention to **agriculture** in Florida. We need an environmentally sound, productive agricultural industry in our state. We need agriculture as part of our economic portfolio, as well as for social and environmental benefits. Our current development model is driving out agriculture as speculative real estate ventures swallow rural tracts. If the “New Town” we gain today isn’t really paying for itself, why should we accept both the additional costs and the loss of agriculture ?

3) We need to **rethink new rural** communities. In the future, they should only be built if they offer us true long-term benefits economically, socially, and environmentally. If they don’t, let’s learn to just say NO and wait for a true enhancement to the state to be developed. New towns have blossomed under the charade of all growth being good, and the faster the better. We need a longer view of them.

We can’t keep growing at the speed of light forever. Why not slow down now and adopt truly sustainable policies ? The challenge, of course, is that we have looked to the Ponzi float from new projects to keep us afloat for the moment. To abandon that economic model will require developing alternative revenue sources, many of which probably begin with a “T”.

Part of our problem is that we are swept up by the concept of immediacy – “Let’s do something now.” Florida land has been above water better than 10,000 years – why should we

feel compelled to use it all up, especially on poor schemes – in our lifetimes ? Why should we saddle our successors with all the unpaid bills ?

The next generations might well be smarter than we are – if we leave them opportunities to do smart things.

Counties across the state are all now facing requests, to simply extend existing approved expiring development permits that are no longer economically viable until “the market improves”. In almost all cases, they are extending the projects. Is that really a good idea ? Admittedly, it saves both the developer and the government the costs of repeating the permit process, but are all those projects really that good ? It is at the least an interesting policy question, and perhaps of particular relevance since we lead the nation in the number of public *corruption cases* (800+), many of which centered around favors for land deals.

During its infancy, comprehensive planning in Florida wasn't really strongly linked to **water issues**. Comprehensive plans focused more on balancing residential/industrial/commercial uses, providing adequate green space etc. Water was considered primarily in the context of drainage needs and potable supply needs. The need for water conservation criteria evolved in the early process. “Demand management” was the new focus; requiring water-conserving fixtures in new homes and more efficient irrigation systems.

Meanwhile, the Water Management Districts were finding that groundwater withdrawals in some areas were approaching unacceptable levels and risked environmental damage or well-field damage by **salt-water intrusion**. Especially in South Florida, the traditional solution of “stick another straw in the ground” wasn't an option anymore; too many straws lead guaranteed too little water left. The Districts, through their regulatory permitting processes forced the utilities to pursue new alternatives.

This progression, from our perspective today, seems perfectly logical, and indeed it is. Florida has always had three “water users”: **agriculture**, **urban**, and the **environment**. Throughout our state's history, water management has essentially entailed taking from the environment to meet the needs of urban and agricultural users. However, only in very recent times have we recognized, and codified, that the **environment is a bona-fide user** and that, beyond a certain level, may not be adversely exploited to meet other user's needs. With environmental water unavailable, we move toward scenarios where urban and agriculture must either compete with one another for their supplies, or move to the more expensive alternatives. You should all expect water supply planning to be an increasingly critical component of sound land-use planning.

If you think that land management planning faces formidable challenges, water planning faces challenges every bit as daunting.

I'm not going to talk about the Everglades efforts tonight, as I know that your next lecture in this series focuses specifically on that complex topic, so I'll reserve my comments to several other parts of the Kissimmee-Okeechobee-Everglades system.

While today intense scrutiny is being placed on the Everglades portion, it is well recognized that the “Everglades system” also includes Lake Okeechobee and the Kissimmee River basin. I'd like to take a moment to revisit a critical issue that has faded with the current

public focus on the Everglades south of the lake. It is the major biological problem of the wholly excessive loadings of phosphorus that continue to pour into Lake Okeechobee. It was not many years ago that the total collapse of Lake Okeechobee due to excessive nutrient loading was considered the greatest threat to the KOE system. Successive governors appointed committees and commissions. I served on most. The endless discussions, myriad of alternative plans, and implementation efforts, now span over 20 years. They failed due to sabotage and reluctance to face the reality of the gravity of the problem.

Look where we are now:

- In recent years, the average phosphorus level in the lake was four times the goal of 40 ppb, and the highest 5-year average in history.
- Loads to the lake averaged six times the annual goal of 105 tons.
- More than 30,000 metric tons of phosphorus now resides near the mud surface, covering almost 300 square miles of lake bottom.
- Another estimated 190,000 metric tons of “legacy” phosphorus have been added to the Okeechobee watershed by vegetable farms, cows and citrus – people induced pollution – enough to meet the lakes annual goal of 105 tons for more than 1,800 years ! Another 6,500 tons are added every year ! Imagine ! There is more than six times as much phosphorus lurking in the feeder basins as is what is already in the lake sediments; a true Sword of Damocles !

We have a 2015 goal to reach the inflow targets – let’s stop kidding ourselves, we cannot achieve it !

Ladies and Gentlemen – how can we restore the River of Grass if the Lake Okeechobee water is so nutrient-enriched that the nutrient-limited Everglades marsh cannot accept it ? Obviously there are efforts to build cleansing cells and such, put the basic premise still has to be treat it at the source !

We need to renew the Lake efforts now.

First, we must reduce or eliminate the continued phosphorus loadings. It is completely untenable to ask our citizens to pay billions of dollars to keep past phosphorus additions out of the lake, while allowing new ones every day. These new sources include both urban and agricultural sources.

Secondly, while we work to stem the flow of new phosphorus, we need public works projects such as filter marshes, innovative new technologies and cooperative programs with private landowners to deal with the “legacy” material waiting to flow to the lake.

And finally, the massive mud “puddle” in the center of the lake needs to be restored.

Many years ago I sharply criticized IFAS for what I believed was an inadequate effort – notably the development of *Best Management Plans* (BMP’s) for agricultural lands around Lake Okeechobee as the tool to reduce excessive phosphorus pollution of the Lake. While the Water Management District had developed a permitting system with numeric criteria for other land uses, the BMP’s were substituted as the tool for the dairy farms.

Today, I don't criticize IFAS, as the BMP program has become official state policy, and BMPs are pursued instead of any meaningful regulatory program. But I would be very embarrassed if what I called my "Best" was as big a failure as I perceive the BMP's to be. For example, how can we recommend fertilizer application rates that are 200-400 times greater than the target runoff rates? It may be best for the crop, but I know it is not best for the basin.

I still think that agriculture is far more desirable than rooftops across the Okeechobee basins, but we need sound programs that achieve our water quality goals. I think that it's time for a solid peer review of BMP's as they're practiced in South Florida. I want to add that I also think it should be public policy to provide public dollars to private land-owners to implement sound programs that both achieve the water quality targets and sustain farming in the Lake Okeechobee basins.

I'd consider putting a BIG dredge in the middle of Lake Okeechobee – almost heresy from someone who has spent much of his life fighting dredge projects in Florida wetlands. Could the goop be used to restore depleted muck lands around Lake Okeechobee that the Water Management District is buying from US Sugar, as well as improve Lake Okeechobee? I don't know if it's really a good idea or not, but I know that the broad, coordinated talents of IFAS and the University of Florida could answer the question if our state had the financial resources available. There must be ways to control phosphorus runoff, solidify or use the goop. IFAS, where are you when we need you?

It is particularly frustrating to be here today and talk of economic constraints and the continuing problems of the KOE system when I know that the University of Florida has worked exceedingly hard to assemble a truly impressive faculty, both extremely capable, and seriously interested in, addressing Florida's environmental challenges. We all now watch as funding continually erodes. As I drove up here today, a note in my clipping file reported that the State of Florida has now reneged on more than \$80 million promised as matching funds to this University. Higher education isn't just jobs, it truly shapes and guides our future. I would much prefer to be here today to exhort you to take up even more challenges such as biodiversity, long-range planning for private lands, more restoration efforts etc., rather than just old problems which still nag and threaten our environmental future. They would be futile proposals in these times.

Florida is truly at an economic crossroads; do we try to fall back to our old ways, or find a better, smarter growth model for our future, one that sustains our economy, protects our environment, improves education - and truly best serves our citizens?

Do we simply try to jumpstart quick growth, or can we develop a well-devised, balanced economy and a rational growth program supported by a truly intelligent tax program?

Great debates are built upon great issues, and great universities are challenged to contribute.

The *University of Florida* is indeed Florida's flagship, and while you must certainly feel as if you're currently swept up in a hurricane of economic difficulties, I hope you can bring your

extraordinary talents, over your immense range of expertise, to this debate – because it is truly over our collective future.

Thank you.
