THE CAPTURE OF INDIANTOWN

How a Small Network of Insiders Used the Economic Council of Indiantown to Control Local Government for Private Gain

An Exposé on Institutional Capture in the Village of Indiantown, Florida

June 2026

Abstract

This report examines the systematic institutional capture of local governance in the Village of Indiantown, Florida, by a network of private interests organized through the Economic Council of Indiantown (ECI). Drawing on public records, meeting minutes, appointment announcements, financial disclosures, and documented overlapping roles, the analysis demonstrates how a small group of developers, real estate professionals, contractors, and elected/appointed officials have constructed a self-reinforcing system of influence. This system allows private actors to shape public policy, secure favorable regulatory treatment, direct infrastructure investments, and obtain political protection at the state level, while externalizing significant social, environmental, and fiscal costs onto the broader community. The report situates these dynamics within established theories of regulatory capture and elite network power, and offers concrete recommendations for restoring democratic accountability and updating the Village's regulatory framework.

The Engineered Origins of Capture: The 2017 Incorporation

The institutional capture now visible in Indiantown was not the result of gradual infiltration of an existing government. Rather, key figures within the current network — including members of the Powers family and Scott Watson — were the primary architects of the Village's incorporation in 2017. Public videos and contemporaneous town hall records show these individuals openly articulating a vision of creating a "government lite" municipality that they intended to "keep for ourselves." This was not a neutral preference for local control; it was a deliberate strategy to establish a low-regulation governmental framework that would be structurally easier for connected private interests to direct.

A critical structural weakness was present from the outset. The original incorporation application lacked sufficient residential property to generate adequate ad valorem tax revenue. This deficiency required special waivers at the state level. Individuals connected to the Powers family through their roles on state boards facilitated these waivers, including action by the House on the Powers' request. The resulting revenue shortfall forced the newly created Village into an immediate position of needing to generate income through development approvals and land transactions. Because Kevin Powers serves as the **Exclusive Broker** for the Village of Indiantown, he possesses advance knowledge of potential deals before they become public. This information asymmetry allows him to steer opportunities toward family-owned entities such as Florida Commerce Park and other ECI-aligned interests — a direct and ongoing advantage created by the very structure the network helped design.

1. Introduction

The Village of Indiantown, incorporated in 2017, was established with the explicit purpose of preserving local character, protecting natural resources, and ensuring responsive government for its residents. Yet within less than a decade, a pattern has emerged in which a small, interconnected group of private actors has achieved extraordinary influence over the very institutions meant to regulate development and protect the public interest.

This report documents what can only be described as ***institutional capture***: the process by which private interests systematically occupy and direct public decision-making structures to advance their own economic objectives. The primary vehicle for this capture has been the Economic Council of Indiantown (ECI), an ostensibly civic organization whose members and allies now occupy critical positions on the Planning & Zoning Appeals Board (PZAB), the Martin County Business Development Board (MCBDB), the Metropolitan Planning Organization (MCMPO), the Village Manager's office, and state-level boards.

The consequences are visible in the aggressive advancement of large-scale industrial projects — most notably the Tesoro Groves PUD and the Silver Fox 606 development — through regulatory processes that were never designed to evaluate hyperscale data centers or similar intensive uses. The existing Land Development Regulations contain significant gaps in noise standards (particularly infrasound), water consumption controls, buffering requirements, and cumulative impact analysis. Rather than closing these gaps, the dominant network has exploited them.

2. Theoretical Framework

2.1 Regulatory Capture

The concept of regulatory capture, first formalized by economist George Stigler (1971), describes the process by which regulated industries come to dominate the agencies and rules designed to constrain them. Capture occurs not only through direct bribery but more commonly through the "revolving door," information asymmetry, and the alignment of incentives between regulators and the regulated. In the Indiantown context, capture is visible in the movement of individuals between ECI leadership, developer roles, and public boards that approve development.

2.2 Elite Network Theory

Elite theory (Mills 1956; Domhoff 2013) emphasizes that power in modern societies is concentrated among interconnected networks that occupy strategic positions across economic, political, and cultural institutions. In Indiantown, the Powers family, Garcia Companies interests, Ferreira Development, and associated contractors exemplify such a network. Their influence is not exercised through formal ownership of government but through the strategic occupation of multiple nodes in the decision-making system.

2.3 Institutional Capture in Small Jurisdictions

Small local governments are particularly vulnerable to capture because of limited staff capacity, reliance on volunteer boards, and the personal relationships that inevitably develop in tight-knit communities. When a single organization (the ECI) effectively supplies personnel to multiple boards while simultaneously advocating for specific development outcomes, the separation between private interest and public authority collapses.

2.4 Textbook Patterns of Capture Mirrored in Indiantown

The Indiantown case closely follows several classic patterns documented in the scholarly literature on regulatory and elite capture. These are not loose analogies; they are structural parallels.

- **Regulatory Capture (Stigler 1971):** George Stigler's foundational theory holds that regulated industries will eventually dominate the regulatory agencies meant to constrain them, because the industry has the strongest incentive to invest in influence and possesses superior information. In Indiantown, this is visible in the ECI network's occupation of the PZAB, MCBDB, and MCMPO — the very bodies that review and approve the projects its members advocate for. The regulators have, in effect, become the regulated.
- **The Local Growth Machine (Logan & Molotch 1987):** Logan and Molotch's "Growth Machine" theory describes how local elites — developers, real estate interests, chambers of commerce, and allied politicians — form coalitions that treat the city or town as a vehicle for increasing land values and rents. In Indiantown, the ECI functions precisely as this growth machine: it unites Garcia Companies, Powers family interests, Ferreira Development, and public officials around a shared agenda of large-scale industrial development, while marginalizing concerns about rural character, noise, water, and long-term fiscal impacts on existing residents.
- **Revolving Door and Dual Roles:** A textbook feature of capture is the movement of personnel between industry and regulatory bodies (the "revolving door"). Kloee Ciuperger's simultaneous role as ECI CEO and paid Village lobbyist is a textbook illustration. Similarly, Danielle Williamson's dual position as ECI Chair and PZAB voting member, and Scott Watson's role as both ECI member and PZAB member, represent direct overlaps that collapse the distinction between advocate and regulator.
- **Infrastructure Capture and the Iron Triangle:** In classic "iron triangle" analysis, agencies, congressional committees, and interest groups form stable alliances. In Indiantown, the equivalent is the alignment between the ECI (interest group), the MCMPO (agency-like body controlling transportation), and aligned county and village officials. Control over SR 710 planning and funding becomes a tool to increase the value of ECI-backed land holdings — a direct parallel to how regulated industries shape the infrastructure that benefits them.

3. The Economic Council of Indiantown: Structure and Network

The ECI was established to promote economic development. Its membership and leadership, however, reveal a pattern of concentrated private interests with direct stakes in large-scale industrial and data-center development.

3.1 Core Network Mapping

Individual / Entity	Key Roles & Overlaps (Institutional Capture Indicators)
Josh Kellam (Garcia Companies)	ECI member; Garcia Companies principal; appointed by Governor DeSantis to the Florida Fish & Wildlife Conservation Commission (August 2025). Garcia's Terra Lago development and related CDD interests align with ECI advocacy for major infrastructure improvements.
Kevin Powers (Indiantown Realty)	Longstanding ECI and Chamber leader; former Vice Chair, South Florida Water Management District (appointed by Governor Rick Scott). His real estate and development interests intersect with ECI priorities on land use and infrastructure. Serves as Exclusive Broker for the Village of Indiantown.
David Powers	Brother of Kevin; member, Martin County Business Development Board (MCBDB); ECI participant. Extends family influence into county-level economic development policy.
Kloee Ciuperger	ECI CEO; simultaneously holds a paid ($60,000/year) lobbying contract with the Village of Indiantown. Previously a Village grant writer. This dual employment creates a direct financial conduit between the private ECI and Village government.
Carmine DiPaolo	Mayor of Indiantown; member, Martin County Metropolitan Planning

	Organization (MCMPO). The MCMPO controls regional transportation planning, including SR 710 — a corridor critical to the viability of ECI-supported industrial projects.
Stacy Hetherington	Martin County Commissioner; documented receipt of over $500,000 from Ferreira Construction (ECI member and Silver Fox 606 developer). Exercises county-level oversight while maintaining financial ties to a major ECI stakeholder.
Danielle Williamson	ECI Chair; voting member, Village Planning & Zoning Appeals Board (PZAB). Direct overlap between ECI leadership and the body responsible for zoning and land-use decisions.
Scott Watson	Owner, Indiantown Marina; ECI member; PZAB member. Another instance of private business interest combined with zoning authority.

4. Mechanisms of Institutional Capture

4.1 The Revolving Door and Dual Roles

The most visible mechanism is the movement of individuals between ECI leadership, developer roles, and public boards. Kloee Ciuperger's simultaneous service as ECI CEO and Village-paid lobbyist is the clearest example. Similar patterns exist with board appointments (PZAB, MCBDB, MCMPO) that place ECI-aligned individuals in positions to review and approve ECI-favored projects.

4.2 Control of the Regulatory Process

The Village's current Land Development Regulations contain significant gaps when applied to hyperscale industrial uses. Noise standards rely on A-weighted measurements that do not capture infrasound; buffering requirements are minimal; water consumption lacks quantitative caps; and the major site plan / PUD approval criteria use vague language ("favorable impact," "public benefit") that provides little objective constraint. The ECI network has advanced major projects through these weak standards rather than advocating for their strengthening.

4.3 Infrastructure as Leverage

Control of the MCMPO by Mayor DiPaolo and influence over county transportation priorities allow the network to shape infrastructure investments (particularly SR 710) that increase the viability of ECI-backed projects. This is a classic form of regulatory capture in which the regulated interests help determine the infrastructure that makes their projects feasible.

4.4 Narrative and Political Protection

High-profile visits by Governor DeSantis to ECI-aligned projects (Terra Lago), combined with appointments of ECI members to state boards (FWC), provide political legitimacy and reduce the likelihood of state-level scrutiny. The narrative of "economic development" and "jobs" is deployed to frame opposition as anti-progress, even as the specific form of development (hyperscale data centers) carries substantial unmitigated externalities.

4.5 Selective Public Investment: The $8 Million Seminole Inn Request vs. Civic Center Hardening

A particularly stark illustration of misaligned priorities under capture is the Village's aggressive pursuit of **$8 million in state taxpayer funding** to restore the Seminole Inn — a privately owned historic building — while simultaneously backing away from funding to harden the Village Civic Center for use as a hurricane and cold-weather emergency shelter.

The Seminole Inn funding request (LFIR #3776, February 2026), sponsored by Senator Gayle Harrell and submitted by Village Manager Taryn Kryzda, seeks **$8,000,000 in nonrecurring Fixed Capital Outlay funds** with **zero local matching funds**. The building is owned by **The Garcia Companies**, a private entity whose principal is an active ECI member. The Village is positioning itself as the public sponsor for a “public-private partnership” to restore a privately held asset. The developer has publicly indicated interest in converting the property into a high-end commercial venue (cigar bar and steakhouse).

This stands in stark contrast to the Village’s decision to back away from funding to harden the **Civic Center** — a **public facility** — for use as an emergency shelter during hurricanes or extreme cold weather events. While the network aggressively pursues millions in state taxpayer money to enhance a privately owned building for what appears to be upscale commercial use, it has shown markedly less urgency in protecting residents — particularly the most vulnerable — from life-threatening conditions during natural disasters or cold snaps.

The hypocrisy is difficult to ignore: special permissions are arranged for fireworks displays on public property, yet basic hardening of a public shelter for the safety of the community is deprioritized. This is a textbook example of how captured institutions redirect public resources and attention toward the economic interests of connected insiders while neglecting fundamental public welfare obligations.

This pattern is consistent with Growth Machine dynamics, in which local elites successfully channel public funds and regulatory leniency toward projects that increase private property values and commercial potential, while public goods that do not directly serve the coalition (such as emergency shelter hardening) are deprioritized.

5. Case Studies: Tesoro Groves and Silver Fox 606

The Tesoro Groves PUD (involving FPL/NextEra) and the Silver Fox 606 project (Ferreira Development) illustrate the capture dynamic in action. Both projects have moved through approval processes that rely on the very regulatory gaps the ECI network has helped maintain. The absence of robust infrasound standards, meaningful buffers, water-use caps, and cumulative-impact requirements has allowed these projects to advance with limited constraint. The network’s presence on multiple decision-making bodies has ensured sympathetic review at each stage.

6. Impacts on Residents and Democratic Governance

The costs of this capture are borne primarily by residents who did not elect the ECI and who lack equivalent access to decision-makers. Documented and potential impacts include chronic low-frequency noise exposure, increased pressure on limited water resources, degradation of rural character, and long-term fiscal burdens associated with infrastructure expansion. Democratic accountability is undermined when the same individuals who advocate for development also control the regulatory levers that should constrain it.

7. Recommendations

7.1 Immediate Ethics and Transparency Review

Request a formal investigation by the Florida Commission on Ethics and, if warranted, the Florida Department of Law Enforcement into potential violations of Chapter 112, Florida Statutes (Code of Ethics for Public Officers and Employees), focusing on dual employment, conflicts of interest, and misuse of public position.

7.2 Land Development Regulation Reform

Adopt hyperscale-specific performance standards addressing noise (including C- or Z-weighted measurements and octave-band analysis), water consumption, thermal discharge, buffering (minimum 300-foot opaque buffers), and mandatory independent monitoring. Reference emerging state standards under Senate Bill 484 as a floor, not a ceiling.

7.3 Process Reforms

Require independent third-party review of major site plans and PUD applications involving hyperscale uses; mandate full disclosure of all financial relationships between applicants and decision-makers; and strengthen the definition of “public benefit” to include measurable net positive impacts after externalities.

7.4 Pause on Major Approvals

Until the LDRs are updated and an independent ethics review is completed, the Village Council should exercise its authority to defer final action on major industrial PUDs and site plans that implicate the identified regulatory gaps.

8. Conclusion

The Economic Council of Indiantown has evolved from an economic development organization into the central node of a local power network that exercises disproportionate influence over the Village’s regulatory, infrastructure, and political environment. This capture has been achieved not through overt corruption in most instances, but through the patient accumulation of overlapping roles, strategic appointments, and the exploitation of regulatory weaknesses. The result is a system that systematically privileges the economic interests of a small connected group while externalizing costs onto residents who lack equivalent access or influence.

Restoring democratic balance requires both immediate accountability measures and structural reforms to the regulatory framework. The residents of Indiantown deserve a government that serves the public interest rather than functioning as an instrument of private economic capture. The evidence presented in this report provides a clear basis for action.

References and Sources

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