

Reaction to Formosa decision mixed

The end of a dream for some, end of a nightmare for others... And St. John officials plan a final appeal to save the plant

By KEITH DARCE
 Staff Reporter

WALLACE — For some people, it was the end of a dream too good to be true. For others, it was the end of a nightmare too real to be a dream.

But for most people in St. John the Baptist Parish, it was a shocking surprise last week when Formosa Plastics Corp. cancelled plans to build the world's largest rayon plant on the west bank of the Mississippi River, and announced the project would move to another country.

Along with the \$700 million project went hopes for as many as 1,000 new jobs, and fears of pollution from the giant facility.

The decision was a particularly hard blow to the residents of the small Wallace community whose hopes for prosperity have been lifted before by big industry, only to fall when big plans fail to materialize.

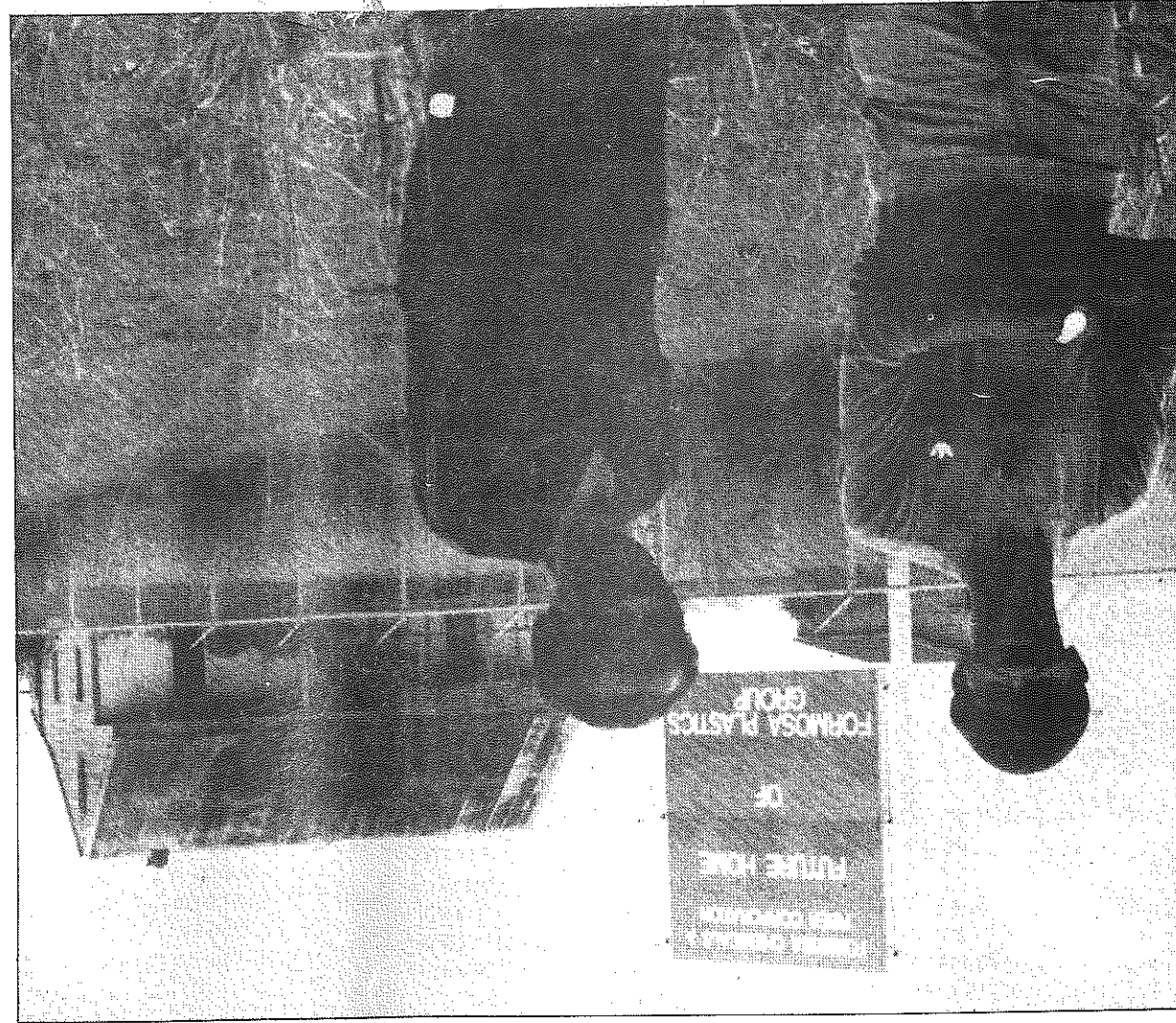
In the wake of the announcement, local residents were left wondering what long-term effects the Taiwanese company's decision would have on the parish and its west bank — the longest stretch of undeveloped land fronting the Mississippi River between New Orleans and Baton Rouge.

Formosa officials blamed the project's demise on a sluggish federal environmental permitting process, a downward turn in the rayon market, and the threat of lengthy litigation from a lawsuit filed to block the plant.

By the end of week, the targets of that blame were pointing the finger back at Formosa, saying those claims were bogus fronts for hiding the company's true intentions. Some skeptics even speculated the announcement was a ploy by the company to gain an upper hand against environmentalists and preservationists who opposed the plant.

But Formosa officials on Friday stood by their original reasons, saying their motivations were

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KEITH DARCE/Observer

SAMUEL JACKSON and Wilfred Greene stand in front of the cancelled Formosa Plastics Corp. ray-
 on plant, less than a mile from their homes in Wallace.

C.O.L.U.M.N
ONE

Scenic
 byways...

RESERVE — A St. John the Baptist Parish scenic byways task force meeting is set for 5 p.m. Thursday, Oct. 15, at the Reserve branch of the St. John Parish Library, West 10th Street, Reserve.

Hydrant
 testing...

RESERVE — The Reserve Volunteer Fire Department will test and flush fire hydrants in the Reserve area on Sunday, Oct. 18.

Gumbo
 contest...

GARVILLE — The River Region Timberrill Festival andouille gumbo cooking contest will be Saturday, Oct. 31. For more information, call Buddy Dube at 652-3284.

Work, Special Section

Fire Prevention events Page 8

purely economic. Regulators and Lawyers Respond

The company said its primary reason for cancelling the project was delays in the environmental permitting process that have pushed the opening date for the plant back to 1996.

Environmental Protection Agency (EPA) officials, however, called that argument confusing and blamed Formosa for any delays.

EPA regional administrator Buck Wynne said Friday in a statement from his Fort Worth, Texas, office that the permitting process is always long for a controversial project like the rayon plant. "For Formosa to use this as an excuse to move the plant to another county which would have less environmental concerns or restrictions is a decision which sounds poorly thought out."

Wynne said his agency needed, but never got, full cooperation and disclosure from the company to move the permitting process quickly.

He also challenged complaints from Formosa that the company's ability to buy hardwood chip feedstock for the facility would have been hampered by restrictions in an EPA-mandated Environmental Impact Statement (EIS).

"EPA does not mandate any action in an EIS," Wynne said. EPA spokesman Roger Meachem said his agency told Formosa that it would prefer the plant to use hardwood chips from suppliers in the heart of Wallace a few miles upriver from the 1,800-acre Formosa site.

A choice that countered the EPA's preference would not have stopped the project, Meachem said. "It would have been considered in the permitting process."

It would not have been a deciding factor," Meachem also questioned Formosa's blame on the nation's sluggish rayon market.

Formosa

MIKE QUINN
Publisher

DARLENE LABRANCHE
Editor

SHEILA BARRILLEAUX
Circulation Mgr.

SEAN ROUSSEL
Acting Ad Mgr.

CARL FREEMAN
LEAH HAYDEL
TIM NEAL
Ad Representatives



ered in the permitting process, but it would not have been a deciding factor."

Matilda Gray Stream, owner of Evergreen Plantation, was another target of Formosa's blame.

Stream filed suit against the company last May, claiming pollution from the plant would destroy the value of her neighboring antebellum plantation home.

Formosa officials last week said likely delays and appeals in the pending case threatened to postpone the plant further.

Stream's attorney, Allan Kanamer noted that a Feb. 16 trial date had already been set before a New Orleans federal judge known for expediting environmental cases.

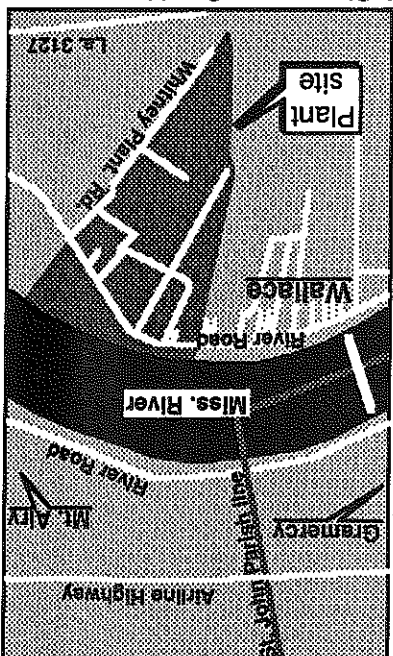
The reasons did not seem to matter much to Jesse Allen who runs Allen's Bridge View Grocery, a River Road store that sits in the heart of Wallace a few miles upriver from the 1,800-acre Formosa site.

A lost dream

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Allen had hoped the plant, along with a soon-to-be complete river bridge linking Wallace and Gramercy, would generate unparalleled

Formosa kills Wallace plant



L'Observateur Graphic By KEITH DARCE

development in the area and a steady flow of plant workers — and potential customers — passing in front of her store.

Instead, the project has left her disappointed and regretful.

"It's sad when you have someone like this happen," the retired teacher said as she waited on customers Thursday afternoon. "It's sad that some people are glad we won't be getting the jobs."

"I thought the plant would have been a good thing. People here have nothing to provide jobs, especially the young people. There is a small organization formed in 1989 Area Planning (RAP) Group, a

picnic table sipping beer and eating potato chips.

Several of the men said they blamed a group of vocal environmentalists for Formosa's decision.

"They should have let the plant come through," Peter Crow said. "It would have been a good thing."

Jerry Clark agreed. "I think a lot of people around here supported Wallace resident Paul Stein,

who helped form the West St. John Civic Association to support Formosa, said people who opposed the plant were selfish. He said most of them were from outside the parish and did not represent the true interests of the community.

"We need to be concerned about pollution, but it's hard for me to imagine that a rayon plant would have worsened the pollution we already get from industry across the river," Stein said.

A Victory

He called the tactics "environmental racism," a phrase that has come to symbolize a trend among some companies to locate industrial plants in poor, predominantly black communities where unemployment is high and property prices are low.

But not everyone sees things that way.

and Greenpeace joined the RAP Group's fight.

Greene said the tide has been turning in favor of the opposition for the last several months.

"I think more people were against the plant," he said. "Even some who sold their property to Formosa have changed their minds. This proves that just because you are poor and belong to a minority community, you don't have to accept a plant like this."

Samuel Jackson, who Greene calls his right-hand man, said the victory proves people can fight injustice and win.

Greene pointed to the patchwork of residential property gobbled up by Formosa over the last two years as proof the company planned to destroy the community by buying residents out of their homes.

"They bought that one and that one. But this house here, they didn't get it."

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Greene shook his head. "We never opposed jobs. We just wanted something that people could live with. We don't want to give up our life and community for jobs."

Greene said his side might have won this battle, but the fight continues.

He speculated that Formosa has other plans for the land it spent \$10 million to acquire. "They cannot afford to let the site sit there. That's why we will be on pins and needles waiting and watching to see what will happen next."

Greene also had a warning for parish officials who supported the plant and voted to rezone the site from residential to industrial use. "If they use the same tactics again, they will fail again."

Final Appeal To Save The Plant

The warning went unnoticed Thursday night in the P.D. Hebert Building in LaPlace as St. John Parish officials mourned the loss of the plant and plotted efforts to revive the project.

Partish economic development director Delton Arneaux told councilmen that a local delegation will visit Formosa executives in New Jersey later this week in hopes of winning reconsideration of their decision.

"We need to pursue other product manufacturing facilities from Formosa other than rayon," Arneaux said. "If we have to go stand on the EPA's doorstep (to get a plan), then we need to do that."

Councilman Dale Wolfe said he wants a full explanation from the company.

Rates

"The communication gap (between the administration and board) needs to be resolved," Councilman Haydel said.

Others asked Labat to operate the department for several months

might affect workers, services and the department's ability to make bond debt payments.

During the meeting, Labat painted a more ominous picture. He said without money the sewerage system will begin to fail and the parish will face costly federal environmental fines.

"Without (the second rate increase) there is no way we can continue operating the system," he said, adding that there is nothing left in the department's budget to

Some councilmen who opposed the new plan complained that Labat's administration had not done enough to work out a compromise with the union.