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PROMISE AND PERIL IN SOUTH L.A.

A good move for South L.A. neighborhood

As part of a plan to bring affordable housing to a gritty part of town, city officials want to relocate a metal finishing firm charged with illegal dumping.

By Scott Gold

December 22, 2009

Los Angeles officials are close to completing a deal that would relocate a metal finishing company that has long been the bane of a poor neighborhood -- the final piece of an ambitious quarter-billion-dollar plan to bring affordable housing to a pocket of South L.A.

The company, Palace Plating, has become symbolic of the enduring troubles that followed South L.A.'s slapdash development.

Opened in 1941, it's the type of factory that drew thousands of working-class families to the city during the boom years of World War II. Yet it was wedged onto a narrow street next to homes and across from 28th Street School, which soon became one of the largest elementary campuses in the nation.

According to government officials, Palace Plating generated hazardous waste, including cyanide and chromium, and faced charges of illegal dumping. The waste gave the nearby students nosebleeds, headaches and worse, according to residents and lawsuits.

The company has long denied any malfeasance and has resisted calls to shut down -- despite lawsuits brought by teachers and parents, criminal charges and government inspectors. "It's been tough," said Jose Tirado, a longtime manager. "But we're still here."

Recently, however, the company has softened its position.

Some officials attribute it to a change in corporate structure; the company's longtime chief executive, Clifford R. Pierce Jr., died and his son, Roger Pierce, took over as chief executive, according to a manager.

Others cite the city's campaign to undo the damage of hurried urban planning that left South L.A. shouldering a huge share of industrial pollution. New science linking industry with illness has upped

the ante, officials said.

"Science has evolved," said City Councilwoman Jan Perry, who's also a member of the governing board of the South Coast Air Quality Management District. Perry has been leading the effort to negotiate a resolution with the company. "They would be fighting an uphill battle by wanting to stay," she said. Details of the deal are still being negotiated. The wild card remains the waste itself; officials don't know how much cleanup will be required.

But several officials said the city is close to finalizing a deal that would shutter the plant and move it to a more appropriate industrial area.

The relocation would cost taxpayers about \$4 million, they said. The plant would be demolished. The site would be scrubbed and then used for housing or a park in the planned The Crossings at 29th Street, an 11 1/2 -acre complex of about 500 affordable-housing units.

Urban Housing Communities, the Santa Ana-based developer, said construction would run as high as \$280 million for the project, which could take more than a decade to finish. The first phase is scheduled to break ground in 2010.

Some other small businesses -- a beauty salon, a bubble gum distributor, a *botanica* -- would also have to move. The mostly likely destination for Palace Plating, Perry said, is a slice of the 204-acre Goodyear Tire Tract between Slauson and Gage avenues. The site was once one of the nation's largest manufacturing centers for tires and other products.

Officials and attorneys involved in the negotiations said they could not discuss the details publicly. Doug Bigley, president of Urban Housing Communities, spoke about the deal with great care.

"It is highly desirable to make [Palace Plating] part of the redevelopment . . . We are very interested in solving that problem," he said.

Neither Roger Pierce nor one of his attorneys responded to requests for comment.

The street separating the plant from the school is gritty even by the standards of South L.A., littered with cardboard, discarded tires and rotting bananas. It's easy to miss the little sign tacked to the corner of Palace Plating: *Sustancias peligrosas*. Hazardous waste.

South L.A.'s ills have long been compounded by apathy and a lack of political might -- making it all the more unusual that the spark for this possible transformation came 14 years ago with the arrival of a young, poor, immigrant mother.

When she was 25, Martha Sanchez emigrated from Jalisco, Mexico, and soon moved near the school, where she would enroll her three children.

Her two daughters developed asthma, she said. There were nosebleeds, and they all developed respiratory problems. Concerned, she began knocking on neighbors' doors; some told her they'd noticed the same thing.

She suspected that the source of their troubles was the little plant across from the school. She began poring over government documents. She knew little English at the time, but some words jumped out, such as "emissions." And yet, at every turn, officials kept telling her the area was safe. "I just thought: 'But how do you know that?'" she said.

She joined forces with the nonprofit Assn. of Community Organizations for Reform Now, known by its acronym ACORN, becoming president of her neighborhood chapter. That gave her a bigger platform. City Hall began taking notice. Government regulators came next.

In 2003, the AQMD began air monitoring. Some early tests showed high levels of hexavalent chromium, a cancer-causing chemical used in plating, though the tests generally showed levels at or below those typical for the region. (School officials said 28th Street is safe for students and teachers, and that a couple of years ago they vacated two bungalow-style classrooms closest to the plant after inspectors found excessive airborne levels of tetrachloroethylene, a chemical often used in metalworking.)

In 2006, the state Department of Toxic Substances Control issued a consent order after finding flaws in the way the company handled hazardous waste, including inadequate piping containment. That action came with a \$60,000 fine.

And the Los Angeles city attorney's office has twice brought criminal charges, alleging that the company had exceeded allowable levels of several chemicals and dumped them onto the ground and into the sewer. The company pleaded no contest to illegal disposal in one case and is expected to be arraigned in the other soon.

Two lawsuits also were brought by 97 teachers, parents and students. Sanchez is the lead plaintiff in one; the suits have now been combined. The suit alleges, among other things, that two veteran teachers' cancers were tied to the pollution. It says that another teacher has given birth to three children with disabilities -- two have autism, and the third suffers from seizures and scoliosis.

Vincent Vallin Bennett, the attorney representing the group, contended that Palace Plating was "basically a company that looked toward profit and money" without regard for "health and welfare." And yet, illustrating the dizzying activity surrounding Palace Plating, the suit is stalled for now, Bennett said. In the latest criminal case, corporate officers have cited their 5th Amendment right against self-incrimination -- meaning they can't be deposed in the civil case.

Sanchez said the fight has been exhausting from the start. Now 39, she's been thrown out of meetings, and plant managers have threatened to call the police on her, she said. Between zoning changes, environmental rules and other issues, an estimated 150 government officials have had to sign off just to get to this point.

Sanchez, now the chairwoman of ACORN's board of directors in Los Angeles, said the years of fighting Palace Plating will have all been worth it if the deal comes together. She's hopeful -- but said she'll believe it when she sees it.

"There have been so many promises," she said. "I thought it was just a dream. Someone will have to pinch me."

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