Rebuttal to Sasol:

Sasol's response to our blog post consists of age-old industry talking points as well as misrepresentations about the company's buyout program and conduct in Mossville.

Sasol states three times that "respect for all people is a core value" of the company. Unfortunately, repeating it doesn't make it so. Sasol would have liked an "opportunity to discuss and clarify some of the confusion regarding" its buyout program. But there is no confusion: no one is better equipped than current and former Mossville residents to understand the devastating financial and psychosocial impacts of Sasol's buyout program on this historic community. That said, Concerned Citizens of Mossville would welcome an opportunity to sit down with Sasol and engage in respectful dialogue about what the company can do now to enable remaining community members to relocate on just and equitable terms.

First, Sasol claims that it launched its buyout program "at the community's request" and "simply because our neighbors asked us to." It is disingenuous for Sasol to frame the buyout program as a fulfillment of a community request: community members strongly opposed the massive expansion project that gave rise to the buyout program but were never consulted until the project was a fait accompli. Mossville residents learned about Sasol's expansion in the news, when the company publicly announced the project. Had Sasol carried out human rights due diligence during the years-long planning phase of the project, Mossville residents—who did not want two new toxic facilities in their backyard—would have had an opportunity to express their opposition. Meaningful community consultation happens at the outset of project planning, not when a project is publicly announced and the only remaining subject for consultation is the fallout from the project. Many Mossville residents experienced the buyout as forced displacement because the "choice" they faced—relocating or living next to an expanded chemical complex that would later be ranked the nation's #2 super-polluter—was not a real choice.

Second, Sasol claims that the buyout program's alleged "85% participation rate" is evidence of Mossville residents' satisfaction with the program. **To the contrary, a high participation rate in a widely unpopular buyout program is evidence of the program's coercive nature.** Sasol cherry-picks quotes from three Mossville residents who were allegedly satisfied with the program. However, in a <u>2021 report</u>, the University Network for Human Rights documented the financial and psychosocial impacts of the buyout on residents of 32 Mossville households that participated in the buyout program. Residents of these households overwhelmingly reported that they: (1) felt that participation in the program was their only option; (2) received insufficient compensation for relocation to a comparable home; and (3) suffered from (often ongoing) emotional and psychological distress, trauma, and feelings of profound loss and injustice.

Third, Sasol claims that its buyout program "provided residents with above-market offers and a generous timeline to decide on property transactions." **In fact, amounts that many residents ultimately received in hand were far lower than Sasol's initial alleged "above-market offers.**" For example, Sasol's failure to account for "heirs' property" ownership was financially devastating for some Mossville families. About one-third of all Black-owned land in the U.S. South is <u>heirs</u>' property, or land that has been informally passed down over generations, often

with dozens or hundreds of owners. Many families in Mossville owned heirs' property: one or more heirs lived on the property but shared ownership with family members living elsewhere. These families had to split their buyout amount among several or more family members, leaving the resident(s) who lived on the property with only a fraction of the total buyout amount to fund their relocation. One elderly resident owned two houses in Mossville along with his twelve siblings. After splitting the buyout amount with his siblings, the resident received about \$36,000 to fund his relocation.

As another example, residents have reported that some or all of their federal Road Home grant funds (given to many Mossville residents to rebuild, repair, or elevate flood-damaged or flood-threatened homes) were deducted from their buyout amounts, with severe financial consequences. Sasol determined that one resident—who owned heirs' property along with her two siblings—was eligible for about \$66,000 from the sale of her home. This amount would have been insufficient for relocation even barring any further deductions; however, an additional \$22,000 of Road Home grant funds were deducted, leaving the resident with about \$44,000 in hand.

Some residents also had mortgages or other debts that were deducted from their buyout amounts. Residents were often left with insufficient money for relocation to a comparable home because Sasol disregarded individual financial circumstances—such as heirs' property ownership, Road Home grant funds, and pre-existing debts—and instead used a fixed, one-size-fits-all formula to determine compensation. Negotiations would have enabled consideration of such individual circumstances, but residents were not allowed to negotiate their buyout offers. International standards make clear that companies should negotiate with community members and compensate them at full replacement cost. Sasol claims that its buyout program was "developed in partnership with" Mossville residents; however, Mossville residents had no input into the most important and consequential component of the buyout program—the compensation formula.

Sasol's fixed compensation formula, moreover, was based on the appraised value of properties. Social science research strongly indicates that racial bias is pervasive in the U.S. appraisal industry because of appraisers' implicit bias and lack of familiarity with predominantly Black neighborhoods. To determine housing compensation for residents of a historically Black community, Sasol relied on an appraisal industry that consistently devalues Black homes.

Residents have also reported that they felt pressured to move through the buyout process quickly—often far too quickly to make informed decisions. A number of residents have described the mental and emotional anguish of making life-altering decisions in an atmosphere of extreme pressure, explaining that they would have made different decisions if they had more time and more information.

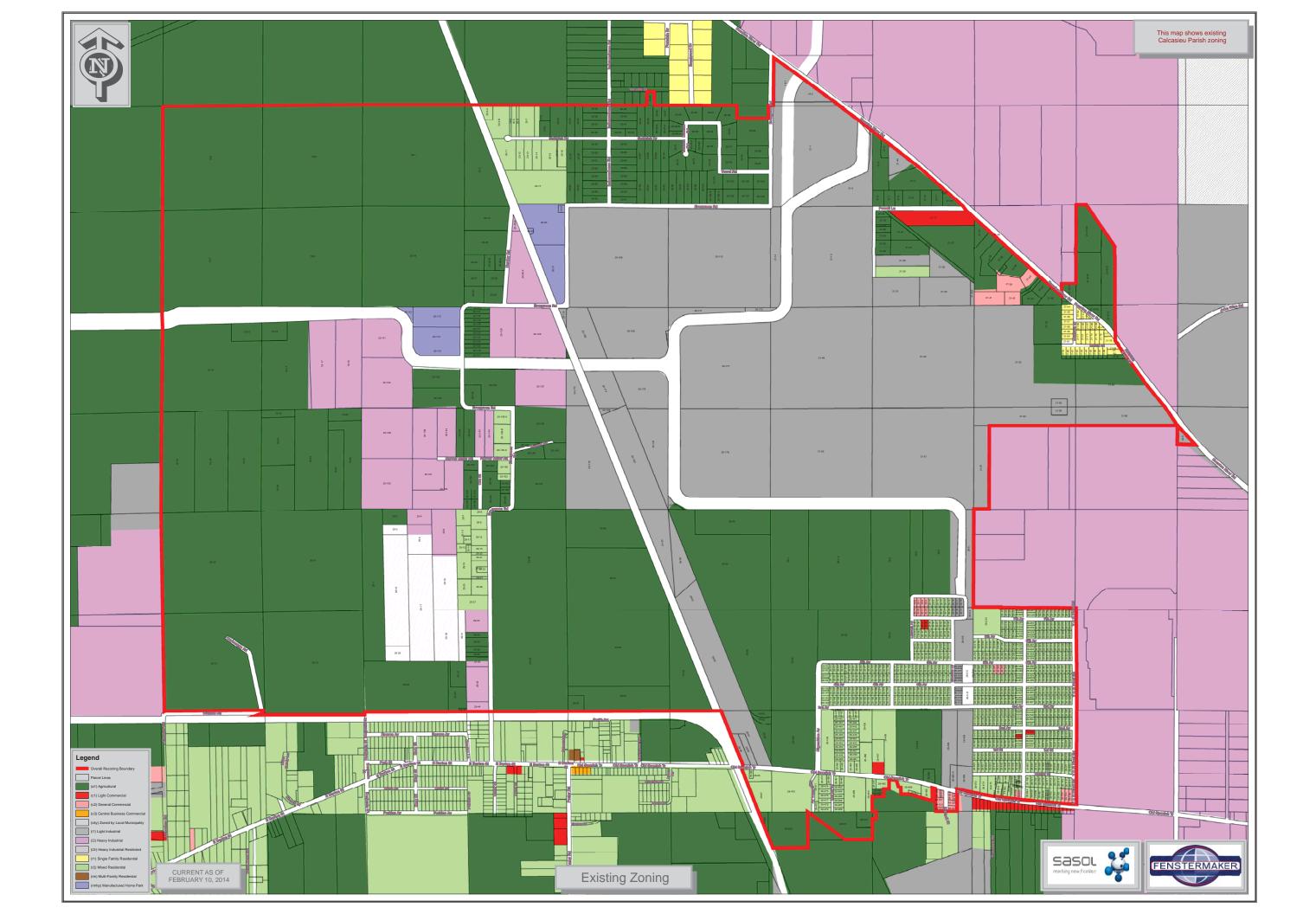
Fourth, Sasol claims that "both Brentwood and Mossville were home to [w]hite and African American residents." <u>Census data</u> show that the Mossville portion of the buyout area was 90% Black and the Brentwood portion of the buyout area was 90% white. Property transaction values in the predominantly white Brentwood area were 88% higher than those in the predominantly Black Mossville area.

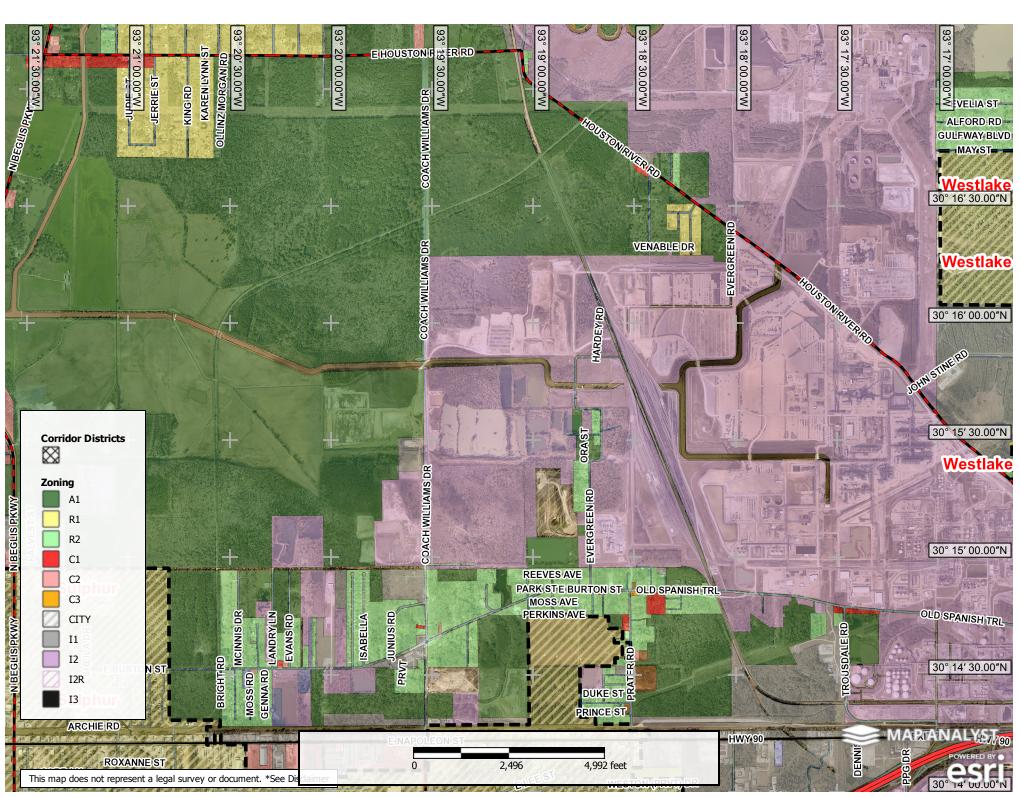
Fifth, Sasol claims that "[l]and purchased as part of the program remains zoned as mixed residential today." This is false: In 2014, Sasol successfully sought to rezone some of the Mossville properties acquired throughout the buyout program from "mixed residential" to "heavy industrial," as then-Sasol spokesperson Mike Hayes confirmed in local news reporting. A comparison of zoning maps from 2014 (Attachment A) and 2020 (Attachment B) further confirms that some Mossville properties were rezoned for heavy industrial usage.

Sasol attempts to distinguish the properties it acquired through the buyout program—which the company claims it "neither needed nor wanted"—from the properties it acquired through individual negotiations with property owners. According to Sasol, only these latter properties were truly "needed" for execution of the expansion project. But if this is the case, then why did Sasol seek to rezone some of the properties acquired through the buyout program for heavy industrial usage? At a minimum, Sasol's bid to rezone some Mossville properties is strong evidence that Sasol knows these properties are not fit for human habitation due to their proximity to plant operations. Ultimately, Sasol's attempted distinctions between property it "needed" and property it "neither needed nor wanted" are arbitrary: *all* properties that Sasol acquired for its expansion project should have been subject to individual negotiations with property owners. Moreover, it is common knowledge that companies offer buyouts to reduce their liability and save costs, especially when residents face health and safety risks from plant operations. As a consultant on industrial buyouts <u>said</u>, "The plant will work out a deal that is in the best interest of the plant."

Finally, Sasol alludes to its Mossville History Project, Workforce Scholarship Program, and Community Advisory Panel as evidence of its community engagement efforts. **These initiatives—textbook public relations strategies deployed by industry to distract and deflect from human rights violations—are utterly irrelevant to the serious concerns raised by current and former Mossville residents about Sasol's buyout program and forced displacement of the Mossville community.** Destroying a community and then sponsoring a temporary museum exhibit featuring community members' stories offers cold comfort to uprooted residents. Assuming it exists, Sasol's Community Advisory Panel is a non-transparent body whose members are not publicly listed anywhere and whose membership selection process is unknown.

By Concerned Citizens of Mossville; University of Utah Environmental Justice Clinic; and the Tulane Environmental Law Clinic on behalf of Carolyn Peters, Raphael Sias, Ronald Carrier, Larry Allison, Karl Prater, McKeever Edwards, Patricia Charles, Stafford Frank, and Peggy Anthony





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