



Colorado Smelter

fact sheet



Colorado Department
of Public Health
and Environment

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY • REGION 8 • SEPT 2012

Property Values and Institutional Controls

Introduction

The purpose of this fact sheet is to provide information regarding property values and explain the use of institutional controls (ICs) at Superfund sites.

Property Values

Will a Superfund designation decrease property values or hurt the economy?

EPA does not track property values. EPA's mission is to protect human health and the environment. However, based on past cleanups, EPA believes that a Superfund cleanup has an overall beneficial impact on the community.

Studies indicate that it is the discovery of environmental contamination that can negatively impact property values. Because the listing of a site on the NPL triggers a federal commitment to do cleanup work, this step reduces uncertainty and may act as a signal to real estate markets that property improvements are imminent.

What happens if a contaminated property is not cleaned up and the owner tries to sell the property? How does this affect property values in the neighborhood?

For those property owners who volunteer to have their property cleaned up, they will receive a letter stating the property is clean, which not only provides comfort for the existing property owner but future property owners as well.

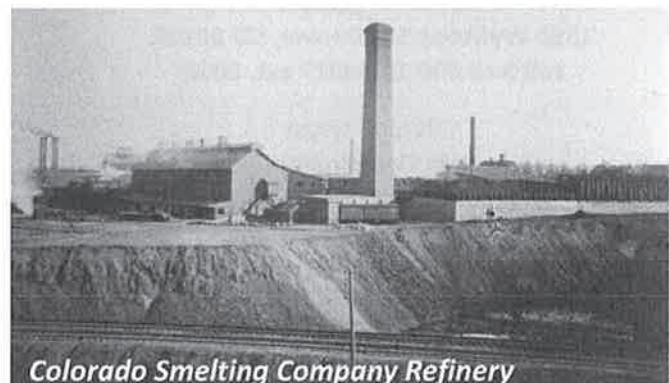
For those property owners that do not volunteer to have their property cleaned up, they will not have the benefit of showing that the contamination on their property has been addressed, which may make it more difficult to sell in the future.

EPA has found at other sites that while having your property cleaned up is voluntary, most if not all property owners ultimately chose to have their properties cleaned. State law requires property owners to disclose certain information about the property when trying to sell, especially if any sampling was done, contaminants were found, or if a cleanup occurred.

There are other factors in addition to Superfund cleanup that affect property values, including the general condition of a property, market trends and other unrelated factors in the specific area.

The following links below provide information and studies conducted regarding Superfund sites and property values:

- ◆ www.epa.gov/superfund/programs/recycle/effects/property.html
- ◆ www.epa.gov/superfund/accomp/benefits.htm
- ◆ nicholasinstitute.duke.edu/environmentaleconomics/does-cleanup-of-hazardous-waste-sites-raise-housing-values



Colorado Smelting Company Refinery

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Institutional Controls

What are institutional controls?

Institutional controls (ICs) are non-engineered instruments, such as administrative and legal controls, that help minimize the potential for human exposure to contamination and/or to protect the integrity of a cleanup remedy.

ICs can play an important role when a cleanup is conducted and when it is too difficult or too costly to remove all the contamination from a site.

Typically, ICs are part of the cleanup solution and serve as a non-engineered layer of protection.

Most cleanups will need to use a combination of remedies, such as engineered remedies like contaminated soil removal, and ICs, a non-engineered remedy. ICs provide an additional level of safety and help make sure the remedy remains securely in place and is protective of human health.

Will there be any environmental covenants or institutional controls placed on the site after it is cleaned up?

If the site is listed, EPA and the state will work with the local government and community members to determine possible procedures for handling waste that may be left in place once the cleanup has been completed.

The procedures should detail how the waste will be handled and who would ultimately be responsible for its disposal.

An example of an institutional control that has been used at other residential cleanups includes an excavation ordinance to ensure that any waste left in place that may be dug up is handled appropriately to protect public health and the cleanup remedy.

Community and local government input can be essential to selecting, using, and monitoring any institutional controls that are the best fit for the community and the protectiveness of the remedy.

For more information about the use of institutional controls at cleanup sites, download:

- ◆ www.epa.gov/superfund/policy/ic/guide/citguide.pdf



FOR MORE INFORMATION OR TO BE PLACED ON OUR MAILING LIST CONTACT THE FOLLOWING:

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OR VISIT US AT www.epa.gov/region8/superfund/co/colosmelter