Escambia Wood Treating Company (ETC)

Superfund Site Permanent Relocation

Focus Groups Summary Report

I. PURPOSE

The Environmental Protection Agency (EPA) committed to assess the effectiveness of the permanent residential relocation that was undertaken at the Escambia Wood Treating Company (ETC) Superfund Site in Pensacola, FL. The goal was to learn about the relocation experience from the perspective of the residents, in order to improve future residential relocations. This assessment was done through a series of focus groups, held in March 2002, with people who were permanently relocated away from the ETC site. This report summarizes the comments made by the people who participated in the focus groups.

II. INTRODUCTION

The Escambia Wood Treating Company (ETC) Superfund site is located in Pensacola, Florida. In 1995, EPA selected the site for a relocation pilot project. A total of 358 households were relocated from four different areas: Rosewood Terrace, Oak Park, the Goulding subdivisions, and Escambia Arms Apartments.

Contamination at the ETC site resulted from the spread of wood treating wastes, including pentachlorophenol (PCP) and creosote. Other contaminants identified at the site included dioxin and benzo(a)pyrene. The Record of Decision for the site identified permanent residential relocation as an appropriate means for eliminating potential human exposure to contaminated soils that had been stockpiled on the site. Permanent residential relocation allowed the post-remedy land use in the ETC area to be restricted for industrial or commercial activities. The relocation was administered by the U. S. Army Corps of Engineers (USACE) through an Interagency Agreement with EPA. The Citizens Against Toxic Exposure (CATE), provided assistance and advice to members of the community being relocated.

III. METHODOLOGY

EPA considered several ways of obtaining information from residents about their relocation experience: written surveys, phone surveys, public meetings, and focus groups. EPA decided to conduct focus groups because this approach would allow residents to feel most comfortable in sharing their experiences. It would also enable followup questions to be asked, if clarification was needed.

To help conduct the focus groups, EPA contracted with DynCorp. The DynCorp team included Michael Lythcott, an environmental justice consultant, who had direct knowledge of the cultural and economic issues within the relocated communities near the ETC site. It also included Mary Skelton Roberts, an experienced neutral, who had facilitated a series of stakeholder meetings on the Superfund relocation policy. These individuals helped EPA determine how to organize the focus groups and then developed a focus group moderator's guide (see Attachment A).

In order to identify participants for the focus groups, EPA contacted USACE, and CATE to obtain the new addresses of the residents who had been permanently relocated away from the ETC site. The Pensacola telephone directory and the Internet were also used to locate residents. From these sources, addresses were obtained for 248 of the 358 households that were relocated. Letters were mailed to each of these 248 households asking them to participate in a focus group (see Attachment B). An attempt was also made to contact each of these 248 households by phone. Phone numbers were obtained for 153 households, and each of these were called.

Out of the 248 households contacted, 39 people agreed to participate in the focus groups. Of these 39, 28 actually came to the focus group meetings. Eleven people did not attend for a variety of reasons ranging from poor health to scheduling conflicts.

In March 2002, focus group members convened at the Pensacola Junior College Downtown Center in Pensacola, FL. Five focus groups (two for tenants and three for homeowners) were held over four days (one each day on March 11, 13, and 14, 2002, and two on March 12, 2002). All four community areas were represented at these focus group sessions: 12 participants came from Rosewood Terrace, 4 from the Oak Park subdivision, 5 from the Goulding subdivision, and 7 from the Escambia Arms Apartments.

Mary Skelton Roberts led the discussions. She used a series of questions to encourage participants to speak about their experiences. The questions prompted perspective about the parts of the relocation process that worked versus what did not, and the facets of the relocation process which could have been changed or enhanced to improve the overall process. A representative from EPA viewed the proceedings on a closed circuit television in a separate room. This was done in order to help the participants be more comfortable in speaking candidly about their relocation experience. But this also allowed the EPA representative to hear first hand how the participants felt. DynCorp supplied a note taker for each session.

IV. SUMMARY OF FEEDBACK

According to the focus group participants, there were many things that could have been done better during the relocation. While much of the discussion time was spent on these deficiencies, there were also many observations about things done right. And a number of people expressed satisfaction with EPA's efforts. This section of the report highlights the views expressed during the focus groups. It is organized in five categories: 1) relocation support services; 2) appraisal and identification of comparable housing; 3) payments; 4) inspections; and 5) problem

resolution. Within each category, the major issues and comments are described, followed by improvement suggestions made by the participants.

Relocation Support Services

Issues and Comments

Participants in the focus group meetings were asked to comment on the basic relocation support services EPA and USACE provided, including their knowledge of them, the frequency in which they used them, what worked, and what could be done to improve possible deficiencies.

Across the five focus groups, knowledge of available support services varied; even the most informed individuals did not seem to be familiar with all the possible services. Only a few said they knew transportation was available to view comparable properties or that EPA would fund grief counseling. Some who knew about the free transportation used it. Others, unaware of this service, had friends and family members drive them to look at properties.

Participants felt that little support was given for identifying the needs and preferences of individuals being displaced. A common complaint was that the government did not seem to take into consideration that some individuals were elderly or handicapped or had concerns about the travel distance to work. Additionally, many felt that the comparability of homes the government offered them was based more on square footage and cost than on these concerns.

In the category of providing assistance in planning for decisions and actions necessary for relocation, participants thought EPA should have been more readily available to answer questions regarding relocation policy as it affected each of them. Many participants expressed a negative perception of EPA. Several participants said they were unwilling to question EPA because they thought EPA would not help them, or that their families' relocations would be delayed.

With regard to providing information on the appraisal process, most participants did not seem to fully understand how their homes were appraised, and felt that the end result did not accurately reflect the value of their house. Very few participants knew that they could have been reimbursed by EPA for an independent appraisal of their homes. Those who did get independent appraisals said they did not apply for reimbursement because they were unaware of this option.

In the area of providing coordination between government agencies, none of the focus group participants felt that EPA did a very good job. They pointed out that the EPA representative was available in the very beginning of the relocation process, but was much less available as time progressed. They also said USACE seemed to pass difficult issues off to EPA, yet, EPA representatives were not available to address these issues.

Some participants said they were pleased with the services offered and services they used, while others said they did not trust the government and preferred the help of friends and family in the

relocation process. One individual, asked about what worked best in terms of services, answered that nothing worked. In that same focus group, another individual said she was "satisfied with the services that were offered," and yet another individual noted "everything worked."

Across all five focus groups, however, the majority of participants seemed to feel that the information regarding available EPA/federal/local services was poorly presented and inconsistent. The most common example given was that, at the start, EPA representatives said people would be relocated to houses equivalent to or better than their present homes. However, later in the relocation process, relocation participants stated that USACE showed them houses that were not comparable or in as good a condition as homes they were leaving. As a result, participants said there was an atmosphere of distrust and people were reluctant to use government services to find new homes.

EPA/USACE held public meetings to convey information to the community. Participants felt that, despite these meetings, not all members of the community were assisted in a manner that identified the needs of the families being displaced. The community was primarily composed of economically and educationally disadvantaged, minority, senior citizens. Participants said many residents could not attend public meetings because of age, illness, or meeting times which sometimes conflicted with work schedules. Participants also said some in the community did not speak English and were never contacted by EPA/USACE to discuss how the relocation would affect them. Fortunately, some neighbors helped the non-English speakers get assistance.

Most participants' perceptions were that EPA and USACE were not as helpful or communicative as they could have been. This lack caused many residents to seek outside help, sometimes with negative results. Participants mentioned examples of dishonest realtors taking advantage of families in the community. In one example, a realtor sold a family a house in an advanced state of disrepair. When the family tried to obtain a refund, it found the realtor had left the region. Another elderly woman said that she refused to accept a house that USACE deemed comparable, and her daughter assisted her in finding a house she felt was more suitable. Most of the younger participants found homes on their own because they felt that the comparable homes identified by EPA/USACE were not really comparable and did not meet their individual needs or wants. All families who chose to look for housing on their own were warned by EPA/USACE that EPA could no longer be held responsible for their individual decisions and experiences.

Three areas where EPA may be able to show improvement are communication, coordination, and community outreach. First, EPA and USACE fell short in communicating aspects of the relocation process to the community consistently, failed to reach all members of the community, and were often unavailable to those who had questions. Secondly, the community felt that EPA and USACE did not coordinate effectively. As an example, they pointed to disconnect between what EPA presented the relocation process to be and what was carried out by USACE. Lastly, they felt EPA did not take actions required to reach all members of the community, and many of those residents reached by EPA were still confused by aspects of the relocation process.

Specific Suggestions

- EPA, as lead agency, should take stewardship of the project and maintain contact with every family to be located. By being proactive, EPA would be able to answer questions as they arise instead of making individuals seek EPA out to get their questions answered.

- Interagency coordination and communication are keys to presenting a unified relocation process. EPA and USACE should create a joint relocation plan before beginning a relocation. This plan should define the roles and responsibilities of each player, especially with respect to working with community members.

- Better community outreach and use of community resources should increase community satisfaction with the relocation process. This should be based on research of the community's demographics, language issues, amenities, history of comparable communities, appropriate local housing policies, and local housing market.

- EPA should identify an Agency employee to serve as a community liaison. This person should be easily accessible to community members.

- In addition to holding public meetings, EPA's liaison should meet directly with families and individuals to provide information on the relocation process and to better understand the unique needs of each individual or family.

- EPA should also follow up with the families after the relocations to ensure that each family is satisfied with its new home.

- EPA should take advantage of community resources, such as realtors, inspectors, and appraisers. Community members will be more comfortable with and have more confidence in local resources. This will also help to keep funds spent on relocation in the community..

Appraisal and Identification of Comparable Housing

Issues and Comments

Participants identified many aspects of the appraisal process, particularly those related to comparable housing, that were insufficient, infeasible or inapplicable. The shortcomings related to the methodology used for the appraisals, fair market value considerations, the valuation of land, the use of appraisers from surrounding states, and the location of the comparable homes. With some exceptions, participants were not satisfied with final outcomes of the appraisal process, the amount of the relocation payments (to be discussed later), and comparable homes they were showed. In addition, many participants reiterated that they were unaware EPA could reimburse them if they hired an independent appraiser.

The appraisal process left nearly every participant with the perception that the evaluation of their existing home was far below fair market value. For example, one participant, employed as a construction contractor, said he had made multiple improvements to his house and that he did not find the value of his improvements factored into USACE's appraisal. He stated that the value used by USACE appraisers to compute cost per square foot was below the Escambia County Standards (then at $39/sq. ft.). Another participant said that, based on the square footage of his home and the Escambia County Standards for cost per square foot, his home should have been valued at $52,000, but he was paid $39,000 by EPA. He was given an additional $13,000 as the differential payment, for a total of $52,000. He felt fair market value of his home should have been $52,000 before USACE added the differential amount of $13,000.

Participants were confused about how land values (apart from the building) were valued during the appraisal process. Their original understanding was that houses would be appraised as if they were not next to a Superfund site and the cost of the land would be included in the payment. According to participants, however, no value was accorded to the land in the appraisal. As evidence, one participant said he had a vacant lot adjacent to his property on which he kept a trailer home for his sister. He said he received no compensation for either the trailer home or the parcel of land on which the trailer home was placed. In addition, independent appraisals, ordered by several participants, quoted the value of the property (including the house and the land) well above that of the USACE's appraisals. Participants said that when they asked USACE to clarify reasons their land was not valued, USACE gave a long explanation of how the houses were appraised as if they were not on or near contaminated land. Yet, the explanation never really accounted for the gap between appraisals by USACE and independent appraisers.

Participants discovered that many of the appraisers were not from Escambia County (some were from as far away as Arkansas and Alabama), and were, therefore, seen as unfamiliar with Escambia County Standards and comparability. Some participants stated that no one fairly appraised their homes, because the appraiser only walked around their lots without actually entering the home itself.

Many participants stated that they preferred looking at comparable homes at their own leisure, without USACE assistance. The main reason given for not using the USACE services was out of concern that homes identified by USACE were located in low income, high crime neighborhoods. However, the older participants were more likely to accept the homes identified by the USACE because they were unable to find better housing on their own, unless they had assistance from family and friends.

When participants were asked if they were satisfied with their new homes, results varied. Some felt that their new homes were not comparable to their former homes, required more repairs than they had expected, did not include the amenities of their former residence, or lacked intangible qualities (family, sense of community, etc.) they had in their former neighborhoods. On the other hand, some participants were quite satisfied with their new homes. The majority of the people who said they were satisfied had identified their homes without the assistance of USACE, believing that they did a better job than USACE at identifying homes that would meet their individual needs.

The primary ways in which EPA/USACE may improve the processes for appraising existing homes and finding comparable housing are through better explanations of the procedures, more one-on-one interaction with the displaced individuals and families, and greater use of resources within the local community.

Specific Suggestions

- EPA/USACE must do a better job of explaining how government appraisals are done so that individuals understand how the value of their existing home and land is calculated.
- Individuals should be encouraged to obtain independent appraisals and should be made fully aware that EPA will reimburse them for the cost.
- EPA/USACE should be willing to negotiate with individuals once a valid independent appraisal shows a value of the home differing from that of the government appraisal.
- EPA/USACE should work closely with individuals and families in identifying comparable homes to make sure their individual needs regarding location, handicapped requirements, and unique family needs are addressed as much as possible.
- EPA/USACE should be supportive of people who look for homes on their own or with local real estate agents, as focus group participants who were most satisfied with their new homes were those who found homes on their own or through local real estate agents.
- EPA/USACE should consider helping individuals and families identify reliable local real estate agents to prevent dishonest agents from taking advantage of residents.

Payments

Issues and Comments

Participants had no issues with the timeliness of the payments. They all were able to recall how they obtained the relocation payment and did not indicate any problems in getting it. However, they felt that the actual payment amount was far below what they were due. They believed that to make up the difference USACE used the differential. But this was not how EPA originally explained the differential to them.

The participants felt that USACE used the differential to bring their undervalued appraisal up to the value quoted by the independent appraisers. One participant said, "They give you less for your house [than its worth] and then increase the differential [to make up the difference] so that you don't get any more than [what it should be worth according to fair market value]." Overall, residents thought that the differential should have been applied in addition to the property value, thereby assisting families to find a comparable home in an inflated housing market.

Also, participants expressed frustration over the increase in taxes and the cost of utilities at the new residences. Several participants said they had to pay back taxes on the property owed by the previous owner, and that EPA had not budgeted for this expense when computing the relocation payment. One participant gave an example of the apparent unfairness of payments to a low income tenant who was relocated. The tenant lived in an apartment costing $300/month. This tenant received a state HUD subsidy of $206/month, and paid $94/month of her own money towards rent. The USACE relocated the tenant to an apartment costing $229/month. However, the tenant's new apartment was not subsidized and she was responsible for the entire $229 (an increase of $135 in monthly rent for her). When she applied for the $125 relocation assistance payment that is available for 36 months, she was told she was not eligible because her new $229/month apartment cost less than her old $300/month apartment. When she inquired as to why she was not eligible even though the amount of rent she personally had to pay went up, USACE told her there were no resources for this type of situation.

The best opportunity for improving the process for relocation payments is to create a better understanding of items covered by these payments and to work closely with those who are relocated to make sure the payments address, wherever possible, the full costs of relocation.

Specific Suggestions

- EPA/USACE should provide homeowners at the beginning of the process with a clear and detailed explanation of what the relocation payments do and do not cover.
- EPA/USACE must be clear and forthright about the purpose of a differential payment and how it will be calculated.

Inspections

Issues and Comments

The most common complaint that participants had regarding the inspections of new homes focused on the EPA/USACE determination of decent, safe, and sanitary (DSS) housing. Many of them felt that houses USACE deemed DSS, were actually in a greater state of disrepair than the homes from which they were relocated. One participant said extensive repairs were needed to bring her new home up to the standard of her former home, including repairing a leaking wall and roof. She said she was unaware of the need for these repairs until after she had moved. Her home had been inspected and passed by the USACE. Her limited income prevented her from making the repairs until she learned of Neighborhood Enterprise, a nonprofit volunteer service that completed the repairs free of charge.

Several other participants said they also had difficulty covering the cost of repairs required in their new homes. According to focus group participants, when these concerns were brought up to USACE, the responses were terse, giving participants the impression that USACE was

disinterested in the needs of the relocated. Participants said that EPA had promised that the homes to which they would be relocated would be in the same condition or better than their former homes. But this is not what USACE delivered in many cases. Furthermore, they felt that EPA and USACE did not work to correct problems that were identified. Several participants felt that EPA should supervise USACE more closely and remain directly involved with the community to address their concerns, or not use USACE to run the relocation process. They also thought if private companies bid on a contract to run the relocation process, free market forces would bring more just and equitable results.

The greatest opportunity for improvement in inspections may be in EPA/USACE working closely with displaced individuals to ensure the homes that USACE find, or that individuals and families find on their own, meet the decent, safe, and sanitary requirements.

Specific Suggestions

- EPA/USACE should increase efforts to involve relocated families in the inspection of potential homes as decent, safe, and sanitary.
- When relocated families and individuals find homes on their own, EPA/USACE should work with those families to ensure their homes receive the same degree of evaluation as homes located by EPA/USACE.
- EPA/USACE should explain how deficiencies that surface after a home has been inspected and occupied could be addressed under the relocation process.

Problem Resolution Process

Issues and Comments

None of the participants in the focus groups had used the formal problem resolution process. Some participants said they felt if they made a formal appeal, they might forfeit their relocation status. Some felt that they needed to move quickly because finding suitable houses would be more difficult as more people came into the housing market, or as money available for relocation rapidly depleted. Others felt they wanted to be away from the Superfund site as quickly as possible because of health concerns. Some participants said USACE initially told them everyone needed to be moved out by January 1999. This deadline was later modified, but even then, the participants felt too rushed to enter into a formal problem resolution process.

Participants felt the general environment under which relocation was carried out was intimidating and discouraged inquiry or appeals from the relocated community. Some who asked informal questions of USACE or EPA, said they received no answer or an inadequate one. In most instances, the participants said they felt disappointed or further confused.

One participant said he engaged EPA in a successful formal appeal of sorts when EPA/

USACE would not allow him to obtain and retain a copy of the Government's appraisal of his home. He hired an independent appraiser who quoted an amount significantly higher than the amount disclosed by EPA/USACE. He retained a lawyer and pursued getting access to the appraisal document. While he was never able to see the document, the end result was an increase in his relocation payment.

Some participants said that USACE seemed to pass responsibility to EPA when unpopular decisions were made. One participant said, "The Corps told us that we could appeal the amount [offered by EPA], but nothing would come out of it... nothing would change. If we didn't accept the offer, the Government would just come and bulldoze our property anyway." When USACE referred relocated families to EPA to appeal issues, some participants said locating EPA officials to address the issues was difficult (others said EPA's Remedial Project Manager was available and very helpful). But a strong impression persisted among relocation participants that EPA was more likely to decide in favor of USACE's actions rather than in favor of the relocated families. Overall, participants said their dissatisfaction derived mostly from poor communication and unresponsiveness to questions. This, they said, frustrated people to the point where a formal problem resolution process was beyond their patience.

Specific Suggestions

- EPA/USACE should establish relocation schedules that do not make the people feel they are being rushed to make decisions.
- EPA/USACE should communicate to the people being relocated that both formal and informal problem resolution are normal parts of the relocation process and that both EPA and USACE want to work through problems in a timely manner.
- EPA/USACE should establish clear points of contact to be used for problem resolution and make sure everyone clearly understands the process for resolving problems.
- EPA/USACE should be proactive in asking relocated families and individuals if they have problems they need to resolve.

V. NEXT STEPS

EPA will complete the Model Statement of Work that will be used to instruct the USACE of its responsibilities during future permanent relocations. The SOW will address suggestions described in this report.