



TO: Mayor Shaun Sipma
Members of the City Council

FROM: John R. Zakian, DR Grant Program Manager & Chief Resilience Officer

DATE: July 25, 2019

SUBJECT: CITY COUNCIL CONFIRM SOP FOR OWNER RETENTION OF SINGLE-FAMILY STRUCTURES AS A POLICY AND PROCEDURE

I. RECOMMENDED ACTION

City Council approve Standard Operating Procedure for Owner Retention of Single-Family Structures as a Policy and Procedure

II. DEPARTMENT CONTACT PERSONS

John R. Zakian, DR Grant Program Manager & Chief Resilience Officer, 423-4528

III. DESCRIPTION

A. Background

Since the inception of acquisition of properties under Allocation #2, there has been a Standard Operating Procedure (SOP) followed by city staff and CDM Smith to allow interested homeowners to keep the house after purchase and move it. This SOP has been used 7 times prior to June 1, 2017 where homeowners kept the house with a determined salvage price reducing the purchase price the city paid. During the same period, there were 4 home owners who were permitted to keep and relocate garages the city acquired with the reduction in the purchase price based on the salvage value. This practice is permitted under the HUD and Uniform Relocation Act rules, and this SOP although a somewhat convoluted formula also first under the rules and regulations. However, there is no reference under the HUD rules to Standard Operating Procedures. The HUD rules call for policies and procedures, and that those policies and procedures be uniformly established by a set procedure. In the case of Minot, policies and procedures are prepared by city staff and approved by the City Council. It should also be noted that this SOP has been posted on the city website. It came to my attention because a companion item on the agenda is for a purchase of a property for which we are agreeing to let the property owner salvage the house. This is the first house salvage presented to me since I began with Minot. To be consistent with our practices and strengthen our continued commitment to demonstrate to HUD our commitment to transparency and consistency, this SOP should be approved as policy and Procedure.

B. Proposed Project

With City Council approval as an Owner Retention of Single Family Structure as a Policy and Procedure, city staff will continue to be consistent in using this guidance as in the past but now as a City Council approved policy and procedure.

IV. IMPACT:

A. Strategic Impact:

Makes this past administrative process consistent with city's track record of setting all such guidance as City Council approved policies and procedures.

B. Service/Delivery Impact:

N/A

C. Fiscal Impact:

None

V. ALTERNATIVES

N/A

VI. TIME CONSTRAINTS

N/A

VII. LIST OF ATTACHMENTS

- A. Copy of the Standard Operating Procedures for Owner Retention of Single-Family Structure