



**TO:** Mayor Shaun Sipma  
Members of the City Council

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

**DATE:** December 31, 2019

**SUBJECT: APPROVAL OF FLOOD MITIGATION BUYOUT STRUCTURE SALVAGE AUCTION SALE**

**I. RECOMMENDED ACTION**

Approval of Salvage Auction for the contents of 1220 28<sup>th</sup> Street SW, Minot, ND 58701 as part of CDBG-NDR program income efforts.

**II. DEPARTMENT CONTACT PERSONS**

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

**III. DESCRIPTION**

A. Background

Upon acquisition of property with structures as part of the buyout program for flood mitigation measures a team of city staff and CDM Smith assess the structures for soundness and earmark each for demolition, salvage or auction. Under a new policy, structures earmarked for demolition are then assessed for the potential of containing sufficient potential items for salvage. All proceeds from salvage sales are treated as Program Income under HUD rules and immediately used for eligible CDBG-DR and CDBG-NDR activities with a primary focus on additional needed acquisitions.

B. Proposed Project

Items will be listed per structure and bids will be sought based on bulk salvage on each house. As with structures auctioned for sale for relocation, there will be an opportunity for interested bidders to view the house and the items being auctioned for a bulk bid price. The structure by address will be posted on the city website with the items available per structure. There is an established ongoing list of structures being auctioned for relocation and/or salvage, and this house will be added to the list.

**IV. IMPACT:**

A. Strategic Impact:

Salvage auction sales will generate additional income for the city.

B. Service/Delivery Impact:

Auction sales proceeds give the ability to carry out needed additional acquisitions and demolitions to support flood mitigation projects.

C. Fiscal Impact:

Salvage Proceeds are Program Income

**V. ALTERNATIVES - N/A**

**VI. TIME CONSTRAINTS - N/A**

**VII. LIST OF ATTACHMENTS - None**