



## Request for Action

**TO:** Faribault Housing and Redevelopment Authority  
**FROM:** Kim Clausen, Community Development Coordinator  
**MEETING DATE:** May 13, 2019  
**SUBJECT:** Mobile Home Buyout Program

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### **PURPOSE:**

The purpose of this memorandum is to provide the Faribault HRA with an update on the Mobile Home Buyout Program.

### **DISCUSSION:**

In April, two mobile homes in Evergreen Estates were destroyed in an explosion. The home at lot 74 was sold to the occupants on a contract for deed. The occupants were required by the contract to carry insurance on the property but it lapsed. The owner is requesting the HRA purchase the house, which is a deviation from the guidelines, as the buyout program is typically geared towards owner-occupied units.

The owner of the other unit affected, Lot 75, has also submitted an application for the buyout program.

Staff is also seeking direction from the HRA on whether it wants to be responsible for the removal of these homes, for two reasons. First, should the park owners have insurance that would cover catastrophic losses. Second, this is not a typical demolition. According to our mobile home demo contractor, "if an asbestos inspection cannot be done due to fire or explosion, the MDH immediately considers the demolition to be a "Project", which means a State Asbestos Contractor has to perform the removal of the structure. An "Asbestos Site Supervisor" must be present at all times, and all workers must be MDH certified as "class 1 Asbestos workers". ..... It's kind of a pretty BIG DEAL." In addition, all debris from such an incident has to be disposed of as asbestos waste, somewhat more costly.

**REQUESTED ACTION:**

Staff is seeking direction whether the HRA wishes to acquire and take title of the homes, if it wishes to pay the owners the \$2,000 and not take title, or if it declines to participate in this circumstance.

Second, does the HRA want to pay for the demolition and removal of the structures.