

Date April 9, 2018

COMMUNICATION OF FIRE ESCROW AT 2521 LYON STREET

Communication from Neighborhood Inspection Division regarding demolition cost reserve escrowed for main structure located at 2521 Lyon Street Street, Des Moines, Iowa.

(Communication and documentation attached)

Moved by \_\_\_\_\_

to receive and file and to direct the City Attorney to bring legal action within one hundred eighty (180) days of certified mail notice dated March 16, 2018, if owner(s) has not demolished or renovated the structure.

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GATTO				
GRAY				
HENSLEY				
MOORE				
WESTERGAARD				
TOTAL				

MOTION CARRIED

APPROVED

\_\_\_\_\_  
Mayor

**CERTIFICATE**

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

\_\_\_\_\_  
City Clerk

Financial Institution Services Division  
Great American Insurance Tower  
301 East Fourth Street, Suite 25-S  
Cincinnati, Ohio 45202

877-429-3826



March 16, 2018

City of Des Moines  
Attn: Victoria Cresta  
400 Robert D Ray Dr.  
Des Moines, IA 50309

\*\* [VLCresta@dmgov.org](mailto:VLCresta@dmgov.org) \*\*

<b>RE:</b>	<b>Claim Number:</b>	<b>836-633054</b>
	<b>Insured:</b>	<b>BTC Financial Corporation</b>
	<b>Policy Number:</b>	<b>1135092</b>
	<b>Loss Location:</b>	<b>2521 Lyon St Des Moines, Iowa 50317</b>
	<b>Date of Loss:</b>	<b>December 16, 2017</b>

Dear Ms. Cresta:

2521 Lyon St. sustained fire damage on the above-referenced date of loss. We have issued payment to our insured their amount of insurance on the policy less the Demolition Reserve. The limit of insurance on this policy totals \$48,000.00. The damage to the dwelling exceeds the limit of insurance. In compliance with Iowa Statute 515.139 Demolition Reserve on Fire and Casualty Claims on Property, we will be holding \$10,000.00 of the payment for a Demolition Reserve.

Therefore, to be in compliance with Iowa Statute I.C.A., Sec. 515.139, I am notifying you that a reserve for demolition costs has been withheld.

It is my understanding that the City shall release all interest in the demolition cost reserve within 180 days after receiving notice of the existence of demolition cost reserve unless the City has instituted legal proceedings for the demolition of said building and has notified the insured in writing of the institution of such legal proceedings. Failure of the City to notify the insured of such legal proceedings shall terminate the City's claim to any proceeds from the reserve.

A reserve for demolition cost shall no longer be required if:

- A. The insurer has received notice from the insured and the City of Council that the insured has commenced repairs to the properties or has commenced demolition of the property.
- B. The city has failed to notify the insurer as provided above.

If the City is required to demolish the damaged property at City expense after instituting legal proceedings, emergency actions, or obtaining waivers for the demolition of the building or other insured structure, the City shall present to the insurer the actual costs of the demolition of the property, including engineering, legal, and other demolition project costs, and the insurers shall compensate the City for the actual cost of the demolition project up to the amount in the demolition cost reserve. Any amount left from the demolition cost reserve after the cost of demolition of the property is paid to the City shall be

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BTC Financial Corporation  
836-633054  
March 16, 2018

paid to the insured if the insured is entitled to the remaining proceeds under the policy. The insurer is not liable for any amount in excess of the limits of liability set out by the policy.

This letter is notice of our compliance with Iowa law.

If you have specific questions or concerns regarding this correspondence, please contact me at 1-877-429-3826 extension 18149 or via e-mail at [dpcraig@gaig.com](mailto:dpcraig@gaig.com).

Sincerely,



Dustin Craig  
Senior Claim Representative