



Roll Call Number

Agenda Item Number

46 B

Date November 21, 2022

COMMUNICATION OF FIRE ESCROW AT 1306 E 27th COURT

Communication from Neighborhood Inspection Division regarding demolition cost reserve escrowed for main structure located at 1306 E 27th Court, 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 mail received on October 12, 2022, if owner(s) has not demolished or renovated the structure.

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
BOESEN				
GATTO				
SHEUMAKER				
MANDELBAUM				
VOSS				
WESTERGAARD				
TOTAL				

MOTION CARRIED

APPROVED

Mayor

CERTIFICATE

I, Laura Baumgartner, 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

September 30, 2022

DES MOINES CITY COUNCIL C/O T.M. FRANKLIN
COWNIE
400 ROBERT D RAY DRIVE
DES MOINES, IA 50309

State Farm Insurance Companies
Fire Claims
PO BOX 106169
Atlanta, GA 30348-6169
Fax 844 236 3646

RECEIVED
OCT 13 2022
LEGAL DEPARTMENT

RE: Claim Number: 15-39D0-50C
Insured: Wayne Walske, 1306 E 27th Ct.
Date of Loss: September 13, 2022

Dear Council and Mr. Mayor::

Wayne Walske sustained fire damage on the above-referenced date of loss. We have received a proof of loss for a sum exceeding 75% of the value of the policy. Iowa law requires fire and casualty companies to hold a demolition cost reserve under such circumstances. In general, insurers must reserve \$10,000.00 or 10% of the payment, whichever is greater, to cover demolition costs under the circumstances if:

- A. The property without repairs is uninhabitable or unfit for its purpose.
- B. The property owner has submitted a proof of loss for a sum exceeding 75% of the face value of the policy.

Therefore, to be in compliance with Iowa Statute HB-499 Section 515.510, 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 the 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 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