

★ Roll Call Number

Agenda Item Number
BDH-2

Date October 20, 2014

Communication from Neighborhood Inspection Division regarding demolition cost reserve escrowed for main structure located at 4475 SE 17th Street, Des Moines, Iowa.

(Communication and documentation attached)

Moved by _____

to receive and file and to direct the City Attorney bring legal action within one hundred eighty (180) days of receipt of notice if owner(s) has not demolished or renovated the structure.

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

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.

MOTION CARRIED APPROVED

Mayor

City Clerk

BDH-2

Cunningham 
Lindsey

4685 Merle Hay Rd,
Suite 106
Des Moines, IA 50322
T: (515) 276-8046
F: (515) 276-1879
MSoenen@cl-na.com

September 25, 2014

Office of the City Clerk
City of Des Moines
400 Robert D Ray Dr., 1st Floor
Des Moines, IA 50309

Re:

Claim#	H3391
CL File No:	5649-59570575
Date of Loss:	9/9/2014
Loss Description:	Fire
Loss Location:	4475 SE 17 th St , Des Moines, IA 50320
Insured:	Pamela Stanley

To Whom it Will Concern:

We are independent insurance adjusters handling the above captioned fire loss on behalf of Iowa Fair Plan and their insured, Pamela Stanley. Per the Iowa Demolition Code 515.139 of which a copy is enclosed, Iowa Fair Plan is withholding \$10,000.00 of the loss payment for demolition and removal fees. The amount of fire damage exceeds 75% of the policy limits. Please notify my office in writing when the repairs or demolition are completed to your satisfaction so that the reserve can be released.

Please contact me at (515) 276-8046 x 230 if you have any questions.

Thank you,



Mike Soenen
Adjuster
Cunningham Lindsey

BDH -2**515.139 DEMOLITION RESERVE ON FIRE AND CASUALTY
CLAIMS ON PROPERTY.**

1. An insurer shall reserve ten thousand dollars or ten percent, whichever amount is greater, of the payment for damages to the property excluding personal property on which the insurer has issued a fire and casualty insurance policy as demolition cost reserve if the following are applicable:

a. The property is located within the corporate limits of a city.

b. The damage to the property renders it uninhabitable or unfit for the purpose for which it was intended, without repair.

c. Proof of loss has been submitted by the policyholder for a sum in excess of seventy-five percent of the face value of the policy covering the building or other insured structure.

2. An insurer which has received a proof of loss in excess of seventy-five percent of the face value of the policy covering a building or other insured structure, shall notify the city council of the city within which the property is located. The notice shall be made by certified mail within five working days after receipt of the proof of loss.

3. The city shall release all interest in the demolition cost reserve within one hundred eighty days after receiving notice of the existence of the demolition cost reserve unless the city has instituted legal proceedings for the demolition of the building or other insured structure, and has notified the insurer in writing of the institution of the legal proceedings. Failure of the city to notify the insurer of the legal proceedings terminates the city's claim to any proceeds from the reserve.

4. A reserve for demolition costs is no longer required if either of the following is true:

a. The insurer has received notice from both the insured and the city council that the insured has completed repairs to the property or has completed demolition of the property in compliance with all applicable statutes and local ordinances.

b. The city has failed to notify the insurer as provided under subsection 3.

5. If the city has instituted legal proceedings, undertaken emergency action, or is required to demolish the damaged property at city expense, the city shall present to the insurer costs incurred, since the date of the fire or other occurrence, including but not limited to legal costs, engineering costs, and demolition costs related directly to the enforcement of any local ordinance, and the insurer shall compensate the city for the incurred costs 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 paid to the insured if the insured is entitled to the remaining proceeds under the policy.

6. The insurer is not liable for any amount in excess of the limits of liability set out by the policy.

7. Insurers complying with this section or attempting in good faith to comply with this section shall be immune from civil and criminal liability.

Section History: Recent Form

88 Acts, ch 1176, §1

BDH-2

C89, § 515.150
89 Acts, ch 16, §1; 91 Acts, ch 59, §1; 92 Acts, ch 1163, § 100;
2007 Acts, ch 152, § 50
CS2007, § 515.139

Footnotes

Former § 515.139 transferred to § 515.111; 2007 Acts, ch 152, § 45

Previous Section [§ 515.138](#) Next Section [§ 515.140](#)

