

Date September 14, 2020

COMMUNICATION OF FIRE ESCROW AT 1429 MARTIN LUTHER KING JR PKWY

Communication from Neighborhood Inspection Division regarding demolition cost reserve escrowed for main structure located at 1429 Martin Luther King Jr Pkwy, 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 June 22, 2020, if owner(s) has not demolished or renovated the structure.

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
BOESEN				
COLEMAN				
GATTO				
GRAY				
MANDELBAUM				
WESTERGAARD				
TOTAL				
MOTION CARRIED			APPROVED	
_____ Mayor				

CERTIFICATE

I, P. Kay Cmelik, 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

63B

Providing Insurance and Financial Services
Home Office, Bloomington, IL



RECEIVED

JUN 22 2020

LEGAL DEPARTMENT

June 8, 2020

City of Des Moines
400 Robert D Ray Drive
Des Moines, IA 50309

State Farm Claims
PO Box 106169
Atlanta, GA 30348-6169

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

RE: Claim Number: 1507C0-74C
Date of Loss: May 20, 2020
Policy Number: 95B5G2143

To whom it may concern:

The property located at 1429 MLK Jr Parkway Des Moines, IA 50314 sustained fire damage on the above-referenced date of loss. 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 Section 515.139, I am notifying you that a reserve for demolition costs will be 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.