

**AN ORDINANCE FOR DANGEROUS BUILDING RESULTING FROM INSURED CASUALTY**

A. **WHEREAS**, damage or loss to a building or other structure caused by or arising out of any fire, explosion or casualty loss. If an order is issued is issued by the Mayor or his designee, and a special tax bill or assessment is issued against the property, it shall be deemed a personal debt against the property owner. If there are proceeds of any insurance policy based upon a covered claim payment made for the damage or loss to a building or any other structure caused by or arising out of any fire, explosion, or other casualty loss:

1. The insured shall withhold from the covered claim payment up to ten percent (10 %) of the covered claim payment, and shall pay such monies to the City to deposit into an interest bearing account. Any named mortgagee on the insurance policy shall maintain priority over any obligation under this ordinance.
2. The City shall release the proceeds and any interest which has accrued on such proceeds received to the insured or as the terms of the policy and endorsements provide within forty-five (45) days after receipt of such insurance monies, unless the City has instituted legal proceeding. If the City has proceeded under litigation to collect the tax bill, all monies in excess of the necessary for payment of the tax lien costs and interest for the removal of the building or structure, less the salvage value, shall be paid to the insured.

If there are any proceeds of any insurance policy as set forth in Section A, at the request of the taxpayer the tax bill may be paid in installment over a period of not more than ten (10) years. The tax bill from the date of its issuance shall be a lien on the property until paid.

Section A does not make the City a party to any insurance contract and the insurer is not liable to any party for any amount in excess of the proceeds otherwise payable under its insurance policy.

The City may certify that in lieu of payment of all or part of the covered claim payment under Section A, it has obtained satisfactory proof that the insured has or will remove all debris and repair, rebuild, or otherwise make the premises safe and secure. In this event, the City shall issue a certificate within thirty (30) days after receipt of proof to permit covered claim payment to the insured without deduction pursuant to Section A. It shall be the obligation of the insured or other person making claim to provide the insurance company with the written certificate provided for in this Subsection.

Passed and approved as provided by law this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

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