

AN ORDINANCE ADOPTING A PROCEDURE FOR REPAIR AND REMOVAL OF CERTAIN FIRE DAMAGED STRUCTURES AND NOTIFYING THE OHIO DEPARTMENT OF INSURANCE OF SAID ADOPTION; AND DECLARING AN EMERGENCY

WHEREAS, the State of Ohio has, in ORC 3929.86, legislation which establishes the procedure by which insurers of fire policies must pay to municipalities a portion of insurance proceeds to assure the removal, repair or securing of fire damaged structures, and

WHEREAS, the Village of Alexandria has deemed such legislation/procedure as advantageous to secure insurance proceeds to help remove, repair or secure fire damaged structures within the Village, and

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF ALEXANDRIA, STATE OF OHIO, AND THE MAJORITY OF THE MEMBERS ELECTED THERETO CONCURRING THAT:

Section I: The Village of Alexandria hereby adopts the procedure outlined in the attached Exhibit "A", which is the legislatively approved procedure in ORC 3929.86

Section II: The Village Fiscal Officer shall upon passage of this legislation promptly notify the Ohio Department of Insurance, and a certified copy of the enacted legislation shall be delivered to the Ohio Department of Insurance by electronic or regular mail.


Section III: It is found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were passed in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section IV: In accordance with ORC Section 731.30, this ordinance is hereby declared to be an emergency measure necessary for the preservation of the public health, welfare and safety of the residents of the Village of Alexandria, and shall go into full force and effect immediately upon passage by the council of the Village of Alexandria.



Sean Barnes, Mayor

ATTEST:

  
Caroline Gissinger, Fiscal Officer

APPROVED AS TO FORM:

  
David T. Ball, Esq., Solicitor

INSURANCE PROCEDURES  
FOR REPAIRS AND REMOVAL OF CERTAIN FIRE DAMAGED BUILDINGS.

No insurance company doing business in the State of Ohio shall pay a claim of a named insured for fire damage to a structure located within the Village where the amount recoverable for the fire loss to the structure under all insurance policies is more than five thousand dollars (\$5,000) and equals or exceeds sixty percent (60%) of all fire insurance policy monetary limitations unless there is compliance with the following procedures:

- (a) When the loss agreed to between the named insured or insureds and the insurance company or companies equals or exceeds sixty percent (60%) of the aggregate limits of liability on all fire policies covering the building or structure, the insurance company or companies in accordance with division (F) of Ohio R.C. 715.26 shall transfer from the insurance proceeds to the Fiscal Officer of the Village in the aggregate amount of two thousand dollars (\$2,000) for each fifteen thousand dollars (\$15,000) and each fraction of that amount, of a claim, or if, at the time of a proof of loss agreed to between the named insured or insureds and the insurance company or companies the named insured or insureds have submitted a contractor's signed estimate of the costs of removing, repairing or securing the building or other structure, shall transfer from the insurance proceeds the amount specified in the estimate.

Such transfer of proceeds shall be on a pro rata basis by all companies insuring the building or structure. Policy proceeds remaining after the transfer to the Village may be disbursed in accord with the policy terms.

The named insured or insureds may submit a contractor's signed estimate of the costs of removing, repairing or securing the building or other structure after the transfer, and the Fiscal Officer, after notifying the Village Administrator, shall return the amount of the fund in excess of the estimate to the named insured or insureds, provided that the Village has not commenced to remove, repair or secure the building or other structure.

- (b) Upon receipt of proceeds by the Village as authorized by this section, the Fiscal Officer shall place the proceeds in a separate fund to be used solely as security against the total cost of removing, repairing or securing the building or other structure incurred by the Village pursuant to Ohio R.C. 715.261.

When transferring the fund as required in subsection (a) of this section, an insurance company shall provide the Village with the name and address of the named insured or insureds, whereupon the Village shall contact the named insured or insureds, certify that the proceeds have been received by the Village and notify them that the following procedures will be followed:

The fund shall be returned by the Fiscal Officer to the named insured or insureds when repairs, removal or securing of the building or other structure have been completed and the required proof is received by the Village Administrator, provided that the Village has not incurred any costs for such repairs, removal or securing. If the Village has incurred any costs for repairs,

removal or securing of the building or other structure, such costs shall be paid from the fund and if excess funds remain, the Village shall transfer the remaining funds to the named insured or insureds after repair, rebuilding or removal has been completed. Nothing in this section shall be construed to limit the ability of the Village of Alexandria to recover any deficiency under Ohio R.C. 715.261.



Nothing in this section shall be construed to prohibit the Village and the named insured or insureds from entering into an agreement that permits the transfer of funds to the named insured or insureds if some other reasonable disposition of the damaged property has been negotiated.

- (c) The Fiscal Officer is hereby designated as the officer authorized to carry out the duties of this section, provided that no funds so held under this section shall be released without notification of such intent to the Village Administrator.