

**CITY OF WELLS
RESOLUTION NO. 2010-15**

**RESOLUTION ESTABLISHING A FIRE ESCROW ACCOUNT PURSUANT TO
MINN. STAT. § 65A.50**

WHEREAS, Minn. Stat. § 65A.50 (“the statute”) authorizes a city to establish a trust or escrow account to receive a portion of insurance settlement proceeds from a claim on real property located in the city that is damaged by fire or explosion.

WHEREAS, the proceeds received by the city are used as security to ensure that the damaged property is repaired, replaced, removed, or demolished and brought into compliance with city ordinances.

WHEREAS, the city finds that damaged structures may violate existing health or safety standards which endanger the public health, safety, and welfare if the damaged structures are not repaired, replaced, or removed.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WELLS,
MINNESOTA, AS FOLLOWS:**

1. That pursuant to Minn. Stat. § 65A.50, the City Council of Wells does hereby establish an escrow account to receive a portion of insured real property fire or explosion settlement proceeds as prescribed by the statute.
2. That the City of Wells intends to uniformly apply Minn. Stat. § 65A.50 with respect to all property located within the city.
3. That the city Administrator be authorized to proceed to establish the escrow account as provided for in the statute.
4. That the city Administrator give the required written notification to the commissioner of Commerce of the city’s intention to apply Minn. Stat. § 65A.50 and the establishment of the escrow account.
5. That the city Administrator and Community Development Director is authorized to execute affidavits certifying violations of health and safety standards as required by Minn. Stat. § 65A.50, subd. 3.
6. That the city Administrator, Community Development Director, Fire Chief and/or the City Building Official is authorized to receive reasonable proof that damaged or destroyed portions of an insured structure are repaired, replaced, or removed or that an

insured has entered into a contract for repair, replacement, or removal of the damaged portions as required by Minn. Stat. § 65A.50, subd. 8.

Adopted by the City Council of the City of Wells on _____, 2010.

Approved:

Mayor

Attested:

City Administrator