

ORDINANCE 2019-04

AN ORDINANCE OF THE TOWNSHIP OF GREENFIELD, COUNTY OF BLAIR, COMMONWEALTH OF PENNSYLVANIA, FOR AUTHORIZING THE ESCROW OF FIRE INSURANCE PROCEEDS FROM FIRE DAMAGED PROPERTIES AS SECURITY FOR THE DEMOLITION, REPAIR, OR SECURING OF A FIRE DAMAGED STRUCTURE AS PROVIDED FOR IN ACT 98 OF 1992; DESIGNATING AN OFFICIAL TO MANAGE THE ESCROW FUND; AND AUTHORIZING CERTAIN PROCEDURES FOR THE HANDLING AND DISTRIBUTION OF THE INSURANCE PROCEEDS.

The Board of Supervisors of Greenfield Township (hereinafter "Municipality") hereby ordains the following:

SECTION 1. TITLE.

This ordinance shall be known and cited as the "Fire Insurance Escrow."

SECTION 2. APPOINTMENT OF DESIGNATED OFFICER.

The Township Secretary or such official's designee is hereby appointed as the designated officer who is authorized to carry out all responsibilities and duties stated herein.

SECTION 3. TOWNSHIP CERTIFICATE REQUIRED.

No insurance company, association or exchange (hereinafter the "insuring agent") doing business in the Commonwealth of Pennsylvania shall pay a claim of a names insured for fire damage to a structure located within Greenfield Township (hereinafter the "municipality") where the amount recoverable for the fire loss to the structure under all policies exceeds \$5,000, unless the name insured or insuring agent is furnished by the Township Treasurer with a Township certificate pursuant to 508(B) of Act 98 of 1992, and unless there is compliance with 503(C) and (D) of Act 98 of 1992, and the provisions of this Part.

SECTION 4. ISSUANCE OF CERTIFICATE.

Where pursuant to 508(B)(1)(I) of Act 98 of 1992, the Township Treasurer issues a certificate indicating that there are no delinquent taxes, assessments, penalties, or user charges against real property, the insuring agent shall pay the claim of the named insured; provided, however, that if the loss is agreed upon by the named insured and the insuring agent equals or exceeds 60% of the aggregate limits of liability on all fire policies covering the building restructure, the following procedures must be followed.

- A. The insuring agent shall transfer from the insurance proceeds to the designated officer of the Township in the aggregate of \$1,000 for each \$20,000 of a claim and for each fraction of that amount of a claim, this section to be applied such that if the claim is \$20,000 or less, the amount transferred to the Township shall be \$1,000.
- B. If at the time of a proof of loss agreed to between the named insured and the insuring agent, the named insured has submitted a contractor's signed estimate of the costs of removing, repairing or securing the building or other structure, the insuring agent shall transfer to the Township from the insurance proceeds the amount specified in the estimate.
- C. The transfer of proceeds shall be on a pro-rata basis by all companies, associations or exchanges insuring the building or other structure.
- D. After the transfer, the named insured may submit a contractor's signed estimate of the costs of removing, repairing or securing the building or other structure and the designated officer shall return the amount of the funds transferred to the Township in excess of the estimate to the named insured, if the Township has not commenced to remove, repair or secure the building or other structure.
- E. Upon receipt of proceeds under this Section, the Township shall do the following:
 - (1) The designated officer shall place the proceeds in the separate fund to be used solely as security against the total costs of removing, repairing, or securing the building or structure which are incurred by the Township. Such costs shall include, without limitation, any engineering, legal or administrative costs incurred by the Township in connection with such removal, repair or securing of the building or any proceedings related thereto.
 - (2) It is the obligation of the insuring agent when transferring the proceeds to provide the Township with the name and address of the named insured. Upon receipt of the transferred funds and the name and address of the named insured, the designated officer shall contact the named insured, certify that the proceeds have been received by the Township and notify the named insured that the procedures under this subsection shall be followed.
 - (3) When repairs, removal or securing of the building or other structure have been completed in accordance with all applicable regulations and orders of the Township and the required proof of such completion received by the designated officer and if the Township has not incurred any costs for the repairs, removal or securing of the building or other structure, the costs shall be paid from the fund and if excess funds remain, the Township shall transfer the remaining funds to the named insured.
 - (4) To the extent that interest is earned on proceeds held by the Township pursuant to this Section and not returned to the named insured, such interest shall belong to the Township. To the extent that proceeds are returned to the named insured, interest on such proceeds shall be distributed to the named insured at the time that the proceeds are returned.
- F. Nothing in this Section shall be construed to limit the ability of the Township to recover any deficiency. Furthermore, nothing in this subsection shall be construed to prohibit the Township and the named insured from entering into an agreement that permits the

transfer of the fund to the named insured or some other reasonable disposition of the damaged property has been negotiated.

SECTION 5. FEES.

The Township Council of Greenfield Township may, by resolution, adopt procedures and regulations to implement Act 98 of 1992 and this Part and may, by resolution, fix reasonable fees to be charged for Township activities or services provided pursuant to Act 98 of 1992, and this Part including, but not limited to, issuance of certificates and bills, performance of inspections and opening separate fund accounts.

SECTION 6. PENALTY.

Any person, firm or corporation who shall violate any provision of this Part shall, upon conviction thereof, be sentenced to pay a fine of not more than \$1,000 plus costs and, in default of payment of said fine and costs, to a term of imprisonment not to exceed 30 days. Each day that a violation of this Part continues or each Section of this Part which shall be found to have been violated shall constitute a separate offense.


SECTION 7. ADOPTION.


This Ordinance shall be effective upon signing and shall remain in force until modified, amended or rescinded by Township of Greenfield, Blair County, Pennsylvania.

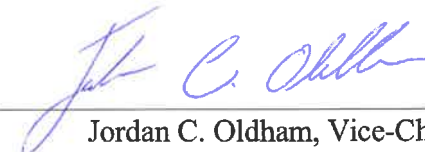
ENACTED AND ADOPTED by the Board of Supervisors this 1st day of October 2019.

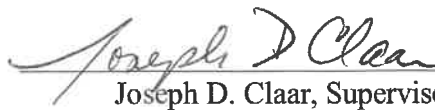
ATTEST:

BOARD OF SUPERVISORS OF THE TOWNSHIP
OF GREENFIELD


Arlene Kuntz, Township Secretary

By: 
Matthew A. Treon, Chairman


Jordan C. Oldham, Vice-Chairman


Joseph D. Claar, Supervisor