

**CITY OF IRON RIVER**  
**SPECIAL MEETING**  
**Wednesday, March 29, 2023**  
**4 PM**  
**Minutes**

Mayor Dennis Powell called the meeting to order at 4 p.m., in the Council Chambers of the Iron River City Hall. The Pledge of Allegiance was recited.

Roll Call: Anthony Clements, Rodney Dood, Ronjo Leonoff and Powell.

Absent: Benjamin Garcia (Personal Commitment).

Also present: City Manager Rachel Andreski, City Attorney Mark Tousignant, City Clerk Bernadette Coates, and Chief Curt Harrington.

Public in attendance: Vicky Powell.

**PUBLIC COMMENT:**

None.

**NEW BUSINESS**

**830 W. Adams Street**

Andreski explained that she recently discovered the house at 830 W. Adams Street would be foreclosed upon by the County on April 1<sup>st</sup> for failure to pay property taxes. The homeowner did not have insurance on the property, nor had a mortgage payment been made prior to the fire in approximately seven months. Co-Vantage Credit Union had “structural insurance” on the building. Andreski spoke with County Treasurer Melanie Camps about what options would be available. If the County takes possession, State statute requires it to be auctioned. Camps would be willing to work with the City by setting a performance bond on the property if an agreement was made to aid in the financial aspect of demolition. This property was not selected by Camps to be included for the Blight Elimination Grant. The City could try to obtain possession from the homeowner to tear it down without the grant if Council chooses not to wait until late summer, but the transaction would need to take place by Friday, March 31<sup>st</sup> by 4 p.m. and approximately \$6,000 in back taxes would need to be paid. The purchase is not in the budget but there is approximately \$70,000 between funds in the Fire Withholding Account and Surplus Property Account.

Harrington explained that Nelson from CoVantage Credit Union in Antigo told him about the structural insurance (PMI – Private Mortgage Insurance) and they did receive some money from that. He said CoVantage took those funds and paid off the mortgage that the homeowner had with them. He said the mortgage is at zero and would be free and clear. He said the City could get the homeowner to do a “Quit Claim” deed to the City, pay the back taxes, and then the City would own the home to tear it down.

Tousignant said it had been his experience that there are three items the bank/credit union will do: they will pay the premium, have their own insurance company or use a separate insurance carrier. He said the term structure is for the structure, the building itself, no liability or belongings. He said the question he has is, did CoVantage pay for the insurance and then give her a loan for that. He

said the homeowner may still have a beneficial interest in the insurance and where is the 25% fire withholding the City should get from structure policy under the Fire Withholding Act.

Andreski said she was told that CoVantage representatives inspected the property, and they told her that the damage did not fit the language in their policy. Tousignant asked if the City had seen the language and why Fire Withholding Act funds had not been received from the policy. Andreski said her contact was someone different than Nelson and that she is no longer with CoVantage. Tousignant said it would be helpful to review the insurance policy.

Dood agreed with Tousignant and said if CoVantage received funds to pay off the mortgage, why didn't the City receive the Fire Withholding Act funds. Andreski said she attempted to contact the owner several times, but she would not answer or return calls.

The owner of the second house at 828 W. Adams Street, that also caught fire, was hoping to team up with the owner of 830 W. Adams to obtain a better demolition price but could not contact her either. He had been in contact with Premier Earthworks but no formal estimate for demolition had been given because they did not know if asbestos was present. Asbestos testing would be mandatory if the City took possession of the 830 W. Adams Street property.

Mayor Powell suggested approaching the owner of 828 W. Adams Street to see if he would also be interested in selling to the City. Tousignant said it would be worth asking him what he would be willing to contribute to the removal of both houses.

Tousignant stated the property looks bad and that is a lot of money to spend either way and either way is a gamble on what the cost would be. He asked if the City were to purchase the property, how long would it take to go through the process to get it torn down. He then asked if the City would be able to bid at the first auction date in August. He said it would be in Ms. Roe's (830 W. Adams Street) favor to sign the deed over to the City, but he stated there needed to be more than a verbal assurance from CoVantage such as a discharge of mortgage. Tousignant also asked if there were any other liens on the property.

Although no one liked the fact that the properties would be sitting as is for a considerable amount of time, Dood moved with support from Clements to hold off on acquiring 830 W. Adams Street at this time.

Roll call: Ayes – 4: Clements, Dood, Leonoff, and Powell. Nays – 0: Absent – 1: Garcia. Motion carried.

Harrington left the meeting at 4:46 p.m.

Tousignant suggested allowing him to continue to pursue gathering information regarding the insurance policies that are associated with both properties and consensus agreed.

## **PUBLIC COMMENT**

None.

## **MEMBER COMMENTS**

None.

**ADJOURNMENT**

Mayor Powell adjourned the meeting at 4:56 p.m. All were in favor. Motion carried. Absent: Garcia.



Bernadette Coates, City Clerk