



City of Hamilton Report for Consideration

To: Chair and Members
General Issues Committee

Date: May 21, 2025

Report No: PED25082

Subject/Title: Interim Report on 18-28 King Street East Building Collapse and Preliminary Review of Enforcement Processes Relating to Building Structure Safety

Ward(s) Affected: City Wide

Recommendations

- 1) That the Director of Licensing and By-law Services and the Director of Building **BE DIRECTED** to report back to a General Issues Committee no later than the end of Q4, 2025 with a final assessment of the partial building collapse at 18-28 King Street East and a comprehensive and coordinated review of related legislation and by-laws, including but not limited to:
 - Strategies to mitigate vacant building issues;
 - Recommended changes to enforcement processes;
 - Results of stakeholder consultation; and,
 - Additional analysis related to the building collapse at 18-28 King Street East.
- 2) That Licensing and By-law Services **BE DIRECTED** to request approval for set fines under the Vacant Building Registry By-law No.17-127 from the Ministry of the Attorney General.
- 3) That Licensing and By-law Services **BE DIRECTED** to amend Table 15 of the Administrative Penalties By-law No. 17-225 to increase fines for non-compliance with the Vacant Building Registry By-law No. 17-127, with the goal of improving compliance and registration of vacant buildings in the City of Hamilton.

Key Facts

- On November 11, 2024, the partial collapse of buildings at 24 and 28 King Street East (“the Gore Buildings”), prompted Council to request an immediate review of the incident, including a preliminary report with findings and interim recommendations.
- The purpose of this report is to respond to Council direction by providing a preliminary report, including an interim analysis of the events that led up to the partial building collapse, a comprehensive history and complete timeline of City interactions that preceded the collapse, building inventory information, and determination and/or review of policy changes and amendments to by-laws. A further report will be brought forward in Q4 2025.
- Some of the key preliminary findings that will inform the Q4 2025 report include:
 - The Gore Buildings had been vacant for over a decade with a history of by-law violations.
 - Gaps were found in communication and enforcement processes, including inconsistent follow-up and lack of interdepartmental coordination.
 - 122 vacant buildings across Hamilton remain unregistered despite notification.
 - Hamilton’s by-laws are strong, but enforcement tools like escalating penalties and interior inspections need strengthening.
- The following are the interim actions taken thus far:
 - A cross-departmental working group has been formed to prioritize enforcement of high-risk vacant buildings.
 - A consultant has been retained to investigate the structural causes of the collapse.
 - A jurisdictional scan has been completed to inform policy updates.
- A complete history and timeline of all City interactions relating to the physical state of the buildings located at 18-28 King Street East is attached as Appendix “A” to Report PED25082. Attached as Appendix “B” to Report PED25082 is the interim building and structure inventory data for buildings and structures that are subject to Property Standards By-law, Vacant Building Registry By-law and Building Code enforcement.

Financial Considerations

At this time, there are no staffing or financial considerations. However, a final report may include recommendations with respect to additional resourcing required to support any proposed changes.

Background

- The buildings located at 18 – 28 King Street East, Hamilton, have been vacant and subject to potential redevelopment for approximately 10 years.

- Building conditions worsened after becoming vacant and the buildings located at 24 and 28 King Street East partially collapsed on November 11, 2024.
- At the November 20, 2024, meeting of the General Issues Committee, Council directed staff to report back to the General issues Committee with the following information and or recommendations:

(a) That staff be directed to conduct a thorough review of the recent building collapses in downtown Hamilton, including:

(i) a complete history and timeline of all City interactions relating to the physical state of these buildings (e.g., inspections, designations, by-law infractions/penalties, permits, etc.)

(ii) an analysis of the causes leading to the collapse of these properties.

(b) That staff be directed to compile an inventory of buildings and structures across the City of Hamilton that have been subject to property standards, by-law enforcement, building code violations, or other safety-related concerns.

(c) That staff be directed to undertake a review of current enforcement processes related to building structure safety and property standards, identify potential gaps, and report back with findings and proposed changes to ensure timely enforcement of by-laws and regulations, with the aim of achieving better outcomes and increasing accountability

(d) That staff be directed to provide recommendations for updates to City policies and by-laws, including but not limited to the Property Standards By-law;

(e) That staff be directed to provide a preliminary report with the relevant findings and possible interim recommendations to a General Issues Committee meeting in Q1 2025.

Analysis

At times, the cause of a building's collapse can be complex. Staff in Building, Licensing and By-law Services and Planning Divisions have collaborated to provide a comprehensive history and timeline of all City interactions relating to the physical state of the buildings at 18-28 King Street East, an analysis of the causes leading to the partial collapse of the properties, the compilation of data on the buildings and structures across the City of Hamilton subject to enforcement. Staff have also identified preliminary areas of focus and recommended further changes and improvements to policies, procedures and proposed amendments to by-laws that will inform the content of the final report.

Staff are committed to ensuring public safety, demonstrating accountability, and preserving and building trust in alignment with Council's strategic priorities. Evaluating

not only the structural causes of the building collapses, but also the systemic causes will inform changes that will support public safety by preventing future collapses through stronger oversight and enforcement. Through this preliminary report, staff are committed to providing a transparent and fulsome analysis of the partial building collapses, including review of related enforcement by-laws and policies and procedures in an effort to maintain accountability to the public and to restore trust through transparency and data-informed policy.

History/Timeline and Analysis of the Causes of Partial Building Collapses

A timeline of City interactions relating to the physical state of the buildings located at 18-28 King Street East in Hamilton is attached as Appendix “A” to Report PED25082 and includes information across Building, Licensing and By-law Services and Planning Divisions from 2012 to collapse relating to:

- Inspections;
- Permit applications;
- Orders; and,
- Penalties.

The Building Division has retained a consulting Engineering firm to provide, if possible, an analysis of the causes of the collapse along with the Professional Engineer’s reporting of the partial building collapses at 24-28 King Street East. At the time of writing of this report the consultant’s report had not yet been received but it is intended to be reported on in the final report in Q4, 2025. In addition to the Engineer’s review, staff have also identified potential systemic contributing factors that require further investigation and analysis and will be reported on in the final report in Q4, 2025.

Staff have identified preliminary concerns with respect to:

- Application of enforcement policies and procedures related to vacant buildings, properties with heritage designations and/or properties that are under development.
- Non-compliance with by-laws, including the Vacant Buildings and Property Standards By-laws and lack of escalating enforcement.
- Siloed interactions between internal Divisions in the City of Hamilton (Building, Planning and Licensing and By-law Services), etc.
- Follow-up on Property Standards Committee appeals outcomes.
- Review of earlier enforcement measures to ensure timely preventative maintenance is undertaken.

Building and Structure Data

An interim summary of data with respect to buildings and structures across the city of Hamilton that have been subject to property standards, by-law enforcement, building code violations and other safety related concerns from 2018 to present has been compiled and is attached as Appendix “B” to report PED25082, and includes:

- Number of Registered and Unregistered Vacant Buildings.
- Administrative Penalties and Set Fines Issued.
- Property Standards Enforcement.
- Proactive and Reactive Building Code Enforcement Investigations.
- Unsafe Building Investigations.
- Building Enforcement Files and History of Legal Action.

Staff will utilize the attached data and inventory to inform a review of best practices, improvement and development of policies and procedures (including a progressive enforcement policy and operational enforcement plan) and to form recommendations that will be included in a final report in Q4, 2025.

Review of Current Enforcement Processes and Recommendations for Updates to City Policies and By-laws

Jurisdictional Scan

Staff have begun to undertake a review of current enforcement processes related to building structure safety and property standards and have identified potential gaps and proposed changes to ensure more timely enforcement of by-laws and regulations in order to achieve better outcomes and increase accountability including identification of amendments/updates to City Policies and by-laws.

A jurisdictional review of enforcement processes, fines, fee structure and similar by-laws in the following municipalities has been completed, and is attached as Appendix “C” to Report PED25082:

- City of London;
- City of Brantford;
- City of Oshawa;
- City of Woodstock;
- City of Timmins;
- City of Ottawa;
- City of North Bay;
- City of Welland;
- City of Port Colbourne;
- City of St. Catharines;
- City of Waterloo; and,
- City of Brampton.

Vacant Building Registry and Property Standards By-law Review

Preliminary research indicates that many municipalities do not have a Vacant Building Registry By-law nor a vacant buildings registry. Relative to other municipalities, the City of Hamilton's By-law is robust and comprehensive. Many municipalities speak only to vacant buildings in their Property Standards By-law. Staff do not recommend moving the Vacant Building Registry By-law into the Property Standards By-law, as a stand-alone By-law allows for clear definition and requirements with respect to minimum standards around condition and registration of vacant buildings. It is noted that the Property Standards By-law was repealed and replaced in 2023 through work on the Hamilton Apartment Rental Program. Staff's interim findings did not identify the requirement for key changes to either by-law. A comprehensive review of the Vacant Buildings By-law and potential proposed changes will be included in a final report.

Fees and Fines

- Registration Fees

The results of the jurisdictional scan indicate that the City of Hamilton's vacant building registration/renewal fees and administrative penalties/fines are on the higher average range versus comparator municipalities. Staff do not recommend increasing registration fees, as many non-compliant vacant buildings are in fact registered vacant buildings and increases to fees may actually result in further non-compliance or circumvention of the By-law altogether.

- Administrative Penalties

Currently, staff in Licensing and By-law Services utilize the Administrative Penalty System to issue fines for non-compliance with the Vacant Building Registry By-law or Property Standards at vacant properties. Though fines are on the higher average range versus comparator municipalities, staff have identified an opportunity for proposed change through implementation of a tiered escalating Administrative Penalty System utilized by some other municipalities in order to achieve better compliance rates. Given the challenge to achieve compliance by way of mandatory registration requirements (currently 122 vacant buildings are unregistered, and staff have notified property owners of non-compliance and are proceeding accordingly to attain compliance), there may be value in exploring a tiered system of increasing fines/fees. Additional analysis and recommendations with respect to escalating Administrative Penalties will be provided in the final report.

- Set Fines

Staff have also identified that application for set fines for Vacant Building Registry By-law 17-127 offences with the Ministry of the Attorney General has not occurred. Staff are recommending that Council direct staff to work with Legal Services to obtain approval for set fines for the Vacant Building By-law No.17-127. Provincial offences/set

finer are a better tool to gain compliance, as fines are generally higher and act as a deterrent to contravention.

Policy Review of Enforcement Processes Relating to Building Structure Safety

Staff have begun to undertake a preliminary review of the policies and procedures associated with enforcement, Vacant Buildings and Property Standards. Initial review included application of fees and penalties and evaluation of whether the program was functioning on a cost recovery basis. Specifically, staff have identified a possible change in policy to ensure that Fees for Service/Inspection are being added where appropriate to recover cost of staff work. Inspections are conducted on at least a quarterly basis for both registered and unregistered vacant buildings. There are no restrictions on additional inspections by staff where required and recovery of those costs can occur.

In 2010, through Report PED09031(c) staff were authorized to hire additional temporary staff at a rate of 0.25 FTE for every 50 additional buildings beyond 200 to accommodate for fluctuations in the Vacant Building Registry, based on 100% cost recovery and no additional levy impact. Currently, there are 273 registered and unregistered vacant buildings that are being monitored by staff in Licensing and By-law Services. Based on approved direction through Report PED09031(c), Licensing and By-law Services could add an additional .25 FTE.

Annual cost of two Municipal Law Enforcement Officers is \$227,841. Currently, staff are reviewing the revenues from the Vacant Building program and associated staffing levels to determine if 0.25 FTE is an appropriate baseline enhancement. For example, in 2024:

- \$118,904 in revenues were generated through vacant building renewals and registrations;
- 880 Fees for Service/Inspection were issued resulting in \$317,694 in revenue; and,
- 947 Administrative Penalty Notices were issued resulting in \$565,039 in revenue.

In 2024, on average, 1,200 inspections were completed, resulting in 153 Orders to Comply. These Orders were issued by only two Municipal Law Enforcement Officers in 2024 dedicated to vacant building enforcement. Based on this information, staff are utilizing compliance rates, available enforcement data, and revenues, to explore whether additional staff are required to ensure robust enforcement of the Vacant Building Registry By-law and to avoid dangerous situations like the collapse of the buildings at 18-28 King Street East.

Preliminary evaluation of enforcement procedures has also resulted in the identification of some siloed interactions among City Divisions. Enforcement at vacant properties can be complex and often intersects several Divisions, particularly where a property may be vacant, require property standards enforcement, be a designated heritage building and/or may be in unsafe condition and requiring enforcement by the Building Division. As a result, staff are reviewing how to better communicate with other Divisions and to share data and other electronic files where a property may have a heritage designation,

be deemed unsafe, or under development as a priority. A new working group consisting of staff from Heritage Planning, Building and Licensing and By-law Services Divisions dedicated to Vacant Buildings has been established. An interim process has been developed that creates a high priority list of vacant buildings with heritage designations to use as a tool to identify, monitor and prioritize enforcement. The working group meets quarterly to review prioritized properties and will allow for clearer, more concise, and transparent information sharing among Divisions to make the best decisions on how to investigate and provide timely enforcement. A further process improvement that has been implemented includes the creation of a joint Unsafe Building Enforcement Operating Framework between Building Division and Licensing and By-law Services on how to initiate investigations of potentially unsafe buildings. The policy realizes efficiencies in determination of unsafe buildings vs. Property Standards matters, mitigates risks to the public and building occupants until determinations can be made and actioned and will result in more efficient enforcement.

Staff have also identified challenges with respect to interior inspections. Interior inspections of vacant buildings rarely take place for a variety of reasons, including accessibility, risk, lack of resources, etc. However, the Vacant Building By-law does provide the authority to conduct interior inspections. Therefore, staff are giving consideration to amending the Vacant Building procedure to incorporate at least one annual interior inspection, as well as requiring that a Vacant Building owner produce documentation at least once per year with respect to the structure and condition of the building.

Procurement/Requesting Contractors

Staff in Licensing and By-law Services intend to work with Procurement Services to explore options to expedite contractor work as a possible policy change, with a goal to retain qualified vendors to complete specialty work on heritage properties that would allow for staff to expedite enforcement and repair of deteriorating properties. Through the Property Standards By-law, the Director of Licensing and By-law Services is limited to a maximum approval limit of \$50,000 before requiring a motion to Council for approval. This process hinders timely enforcement of the By-laws and staff are exploring options for improvement.

Outstanding Orders/Property Standards Committee Appeals

Through analysis of the partial building collapse, staff have identified that outstanding Property Standards Orders to Comply were appealed at several of the properties which resulted in delays to enforcement and further deterioration of the buildings. Enhancements to the Property Standards Committee process for staff in Licensing and By-law Services are being explored. Specifically, the Property Standards By-law prescribes an appeal process, and a review of that process will specifically include how staff in Licensing and By-law Services follow up on Property Standards Committee applications and outcomes. Staff intend to further explore the creation of a process and

education/training of staff related to demolition permits/building permits and their effect on the enforcement of Property Standards Orders and Appeals hearings.

Construction Hoarding

Staff have also identified an opportunity to improve processes around protection measures (hoarding) along public thoroughfare and how existing buildings' prescriptive measures of protection are applied. For example, once a threat of imminent danger has been identified direction can be given to protect the public realm by providing specific detailed designs of covered sidewalks, lane closures, bike lanes around existing buildings by way of safety fencing. The goal will be to ensure that appropriate mitigation measures are in place for the construction works and do not adversely affect public health, safety, amenity, traffic movement or the surrounding environment.

Staff Training

Comprehensive review of existing and recommended changes to policies and procedures will include a focus on training and accountability. Staff are considering development of a progressive enforcement policy that would provide direction on escalating enforcement of properties where repeated violations have occurred, and which would be included in the final report. Staff will be trained and familiarized with all new changes that are made as part of the process improvement.

Staff are committed to reporting back on these and any additional issues that are identified and to further explore appropriate solutions. Formal amendments to the Vacant Building Registry By-law, Administrative Penalties By-law and/or Property Standards By-law will be attached to the final report where appropriate.

Alternatives

Not Applicable.

Relationship to Council Strategic Priorities

The recommendations and proposed changes detailed in Report PED25082 will strategically enforce and improve Council's Strategic Priorities, including Safe & Thriving Neighbourhoods and Responsiveness & Transparency.

Specifically, PED25082 improves/enforces Responsiveness & Transparency by communicating with Council and residents of the City of Hamilton information on the causes of the partial building collapses at 24 and 28 King Street East, including a complete history and timelines of all City interactions relating to the physical state of the building and interim analysis of the causes leading up to the collapse of these properties.

As a consequence of the cybersecurity incident that was experienced in 2024, staff have worked diligently to modernize city systems, and to streamline processes and enhance customer centred service design. Through this work, staff in Licensing and By-law Services are exploring better ways to utilize Open Data and share information through a publicly available database aimed to achieve better outcomes and increase accountability.

The recommendation will enforce the priority of Safe & Thriving Neighbourhoods in several ways. Firstly, by reviewing and refreshing policies and procedures to reflect the impact of vacant buildings on housing availability in the City of Hamilton and delving into the improvements that can be made to better align with other city initiatives aimed at achieving this goal such as, the Vacant Unit Tax program. Robust enforcement of the Vacant Building and Property Standards By-laws allow for maintaining and increasing the supply of affordable housing. It also ensures abutting adjacent public spaces remain clear and safe.

Previous Reports Submitted

Not Applicable.

Consultation

In crafting the recommendations highlighted herein, the following internal divisions were consulted:

- Corporate Services Department, Legal and Risk Management Services Division, Legal Services Section;
- Planning and Economic Development Department, Building Division;
- Planning and Economic Development Department, Heritage and Urban Design Division; and,
- Planning and Economic Development Department, Licensing & By-law Services Division.

Appendices and Schedules Attached

Appendix A: History and Timeline of all City interactions at 18-28 King Street East

Appendix B: Building and Structure Inventory Data

Appendix C: Jurisdictional Scan Summary

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