



Hamilton

**CITY OF HAMILTON**

**PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT**  
**Parking and By-Law Services Division**

<b>TO:</b> Chair and Members Planning Committee	<b>WARD(S) AFFECTED:</b> WARD 2
<b>COMMITTEE DATE:</b> August 8, 2011	
<b>SUBJECT/REPORT NO:</b> Demolition Permit - 245 Catherine Street North, Hamilton (PED11136) (Ward 2)	
<b>SUBMITTED BY:</b> Tim McCabe General Manager Planning and Economic Development Department	<b>PREPARED BY:</b> Glyn Wide 905-546-2424 Ext. 5414
<b>SIGNATURE:</b>	

**RECOMMENDATION**

- (a) That Council approve an expenditure of no more than \$135,000.00 to demolish the commercial building at 245 Catherine Street North, Hamilton, including the safe removal of vats containing high-phosphorus rain-water; and,
- (b) That the Senior Director of Parking and By-law Services be authorized and directed to apply for a Demolition Permit for 245 Catherine Street North, Hamilton, in accordance with a final and binding Order to Comply under the Property Standards By-law No. 10-221 and subsection 30(4) of that By-law.

**EXECUTIVE SUMMARY**

Staff is proposing to demolish the existing commercial structure on the southerly portion of 245 Catherine Street North (see the Location Map attached as Appendix "A" to Report PED11136). The building has holes in the roof and is decaying. It contains empty commercial dipping vats that collect rain water with high phosphorous levels.

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The owner of the property has not complied with a final and binding Order to Comply issued under Property Standards By-law No. 0-221 to:

- secure the building to prevent entry; and,
- repair, replace or demolish three areas of the roof, repair a small hole in a lift door and repair the roof to provide adequate support for all design loads to prevent collapse or structural damage.

As a result of a structural engineer's report, three City approved contractors' quotes were requested to either (a) repair, or (b) demolish and clean up the property. Staff is recommending the least expensive option which is complete demolition and removal of the building, including the vats and their contents, for a maximum expenditure of \$135,000.00.

***Alternatives for Consideration – See Page 4***

**FINANCIAL / STAFFING / LEGAL IMPLICATIONS** (for Recommendation(s) only)

**Financial:** Property Standards By-law No.10-221 authorizes staff to carry out repairs or demolition under a final and binding Order to Comply if the cost is less than \$20,000. As the estimated cost for demolition in this case is estimated at \$135,000.00, Council approval is required.

The three quotes obtained for **partial demolition** of the building with the storage of the vats in the remaining building ranged from \$145,000.00 to \$265,000.00.

The three quotes obtained for **complete demolition** of the building without disturbing or removing the soil but removing the vats and their contents ranged from \$135,000.00 to \$260,000.00.

Upon completion of the demolition, the City will have a lien with priority status on the property, which, among other things, means the amount may be added to the tax roll for the property and collected in the same manner as property taxes. Staff believes it unlikely that the lien will be paid either by the property owner or by a tax sale, if that occurs. This is an additional reason for seeking Council approval.

The Brownfield Hazardous Sites Decommissioning Fund, account #3620553100 can be used to pay the demolition cost.

**Staffing:** N/A

**Legal:** There is risk involved in the City doing work on a property that may be contaminated in that substantial additional costs could be incurred. However, ensuring that the soil is not disturbed when the demolition takes place should mitigate this risk.

#### **HISTORICAL BACKGROUND** (Chronology of events)

The property consists of one building (north side), which was a residence. The other building, on the south side of the property, is commercial and was formerly a facility for chrome-plating the steel parts of automobiles.

The City of Hamilton acquired the property in 1999 from the former owner as a result of tax arrears, who operated the chrome-plating facility.

On December 16<sup>th</sup> 2005, the City of Hamilton received a Limited Phase II Environmental Assessment (Phase II ESA) on 245 Catherine Street North. The City hired AMEC Earth & Environmental, A Division of AMEC Americas Limited of 505 Woodward Avenue, Hamilton to conduct bore testing on the site. At that time, no major exceedences were found.

In 2006, the property was sold through a tax arrears sale to the current property owner for \$22,240.00. At that time, the current property owner indicated he would clean up the property and build residences, using funding from the ERASE (Environmental Remediation and Site Enhancement) program and Development Charge credits to assist. However, no progress has been made since the sale.

The current owner is three years in arrears on the property's taxes. The property is valued at \$34,250.00. There appears to be little chance of recovering the cost of demolition.

The commercial building did contain drums of chemicals, which were removed. The Ministry of the Environment investigation is still ongoing.

An Order to Comply under the Property Standards By-law No. 10-221 was issued on August 24, 2010 which required the property owner to undertake repairs or to demolish the commercial property at 245 Catherine Street North. The Order to Comply was not appealed and became final and binding on September 13, 2010.

#### **POLICY IMPLICATIONS**

N/A

### **RELEVANT CONSULTATION**

Building Services, Taxation and Legal Services have been consulted in the preparation of this Report.

The Ministry of Environment has been consulted throughout and will continue to be consulted while the demolition is carried out.

The property owner has been kept apprised through the Order to Comply and other contact. He will be afforded an opportunity to attend and speak to this report at Planning Committee.

Ward 2 Councillor Jason Farr convened a public meeting on 5<sup>th</sup> March 2011 attended by several concerned area residents.

### **ANALYSIS / RATIONALE FOR RECOMMENDATION**

(include Performance Measurement/Benchmarking Data, if applicable)

The property owner has failed to comply with a final and binding Order to Comply under Property Standards By-law No. 10-221 requiring him to repair or demolish the commercial building on his property. As such, subsection 30(4) of the By-Law authorizes the City to carry out the repair or demolition.

Staff have determined that repairing the property, as it is in an advanced state of deterioration, would be the most costly option. The recommendation, instead, is to carry out a complete demolition, the least costly option. As this option exceeds the delegated authority to carry out work not exceeding \$20,000.00 in cost, Council approval is necessary. Council approval is also being sought because it appears unlikely that the cost will be repaid.

The risk involved in the City doing work on a property that may be contaminated will be mitigated by ensuring that the soil is disturbed as little as possible. The commercial building is erected on a concrete pad, which aids greatly in the minimization of soil disturbance.

### **ALTERNATIVES FOR CONSIDERATION**

(include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative)

Should Council not approve the complete demolition of this property then the alternative would be the demolition of portions of (buildings 4,5,6 & 7) of the commercial property

and conducting all necessary repairs to portions of buildings (1,2 & 3). The vats containing water with (high phosphorous levels) would be sealed, secured and any drains or catchments within the premises, leading to City sewers, would be permanently capped.

This is a less fiscally responsible option, as it is more expensive to implement and is a temporary measure requiring the property to be continuously monitored to prevent further deterioration or trespasser(s) from gaining entry to the secured site.

**CORPORATE STRATEGIC PLAN (Linkage to Desired End Results)**

Focus Areas: 1. Skilled, Innovative and Respectful Organization, 2. Financial Sustainability, 3. Intergovernmental Relationships, 4. Growing Our Economy, 5. Social Development, 6. Environmental Stewardship, 7. Healthy Community

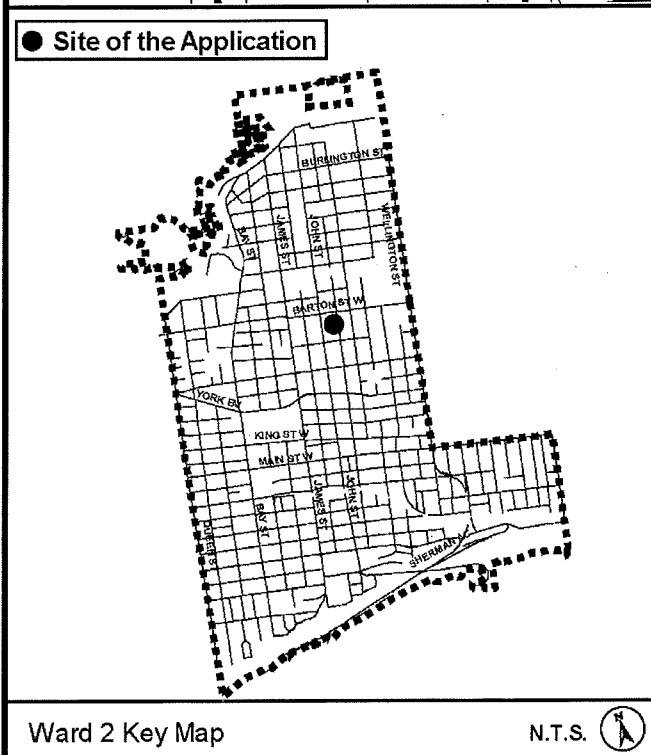
***Healthy Community***

- ◆ The recommendations in this report directly relates to public health and safety

**APPENDICES / SCHEDULES**

Appendix "A" to Report PED11136 - Location Map of 245 Catherine Street North, Hamilton

GW/MH/dt



## Location Map

**Hamilton**

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

File Name/Number: 245 Catherine St N	Date: April 12, 2011
Appendix "A"	Scale: N.T.S.
Planner/Technician: SR/AL	

**Subject Property**  
 245 Catherine Street North

Extract from the City of Hamilton  
Zoning By-law 6593

Neighbourhood Maps

**CERTIFIED A TRUE COPY**

*[Signature]*  
 Director, Municipal Planning & Economic Development  
 Parking & By-law Services  
 City of Hamilton