



**Date:** April 23, 2019

**Report to:** Board of Directors  
CityHousing Hamilton Corporation

**Submitted by:** Tom Hunter  
Chief Executive  
Officer/Secretary

**Prepared by:** Bernice Lilley  
Manager, Asset Renewal

**Subject:** **Kenora Leaking Foundations and Sewer Lines – Project C1818  
(Report #19013)**

**RECOMMENDATION:**

That the Board of Directors approve CityHousing Hamilton (CHH) staff to reassign the approved capital dollars (\$1,000,000) from the Kenora Project C1818 to other urgent capital projects at various properties.

A handwritten signature in blue ink that reads "Tom Hunter".

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Tom Hunter  
Chief Executive Officer/Secretary

**EXECUTIVE SUMMARY:**

Through the capital budgeting process, it was identified that 245 Kenora is in need of repairs to foundation walls and sewer lines to prevent on-going water leaks in the basements. The total repairs for this project were estimated at \$6,000,000. In 2018, the Board approved \$1,000,000 to address repairs to approximately four blocks (28 units) out of the 24 blocks in this townhouse complex (168 units).

Over the past year, urgent capital projects have been identified and it is recommended that the \$1,000,000 be redirected to these critical projects. Outlined below is a prioritized list of the projects with approximate costs:

- \$150,00 to \$300,000 Generator Deficiencies/Non-Compliance Orders
- \$450,000 1 – 2 Oriole – Asbestos Abatement
- \$300,000 to \$500,000 20/30 Congress – Asbestos Abatement
- \$250,000 HVAC First Place – Housing Services Expansion
- \$120,000 95 Hess – Heating Replacement Design

## **BACKGROUND:**

In 2016, CHH received \$300,000 through the Social Housing Improvement Program (SHIP) to undertake an assessment of the condition of townhouse units at 245 Kenora. The assessment confirmed that the foundations were leaking, as well as sewer lines were being restricted. The tender was issued to investigate and repair the first block of townhouses, which included the foundation walls and the main sewer line. The report received, recommended that all townhouse blocks at this location would require the same repair technique. CHH then submitted in the 2018 Capital Reserve Budget to initiate Kenora foundation repairs in phases. The request was approved for the 2018 Capital Reserve budget.

In early 2018, it became clear that CHH would have to reassess the Capital Reserves to address several emergencies. The Kenora project was identified as a potential project to put on hold while a determination was made on how to address urgent capital repairs. Depleted resources in the Emergency Contingency Fund has necessitated that CHH re-allocate capital funds.

## **DISCUSSION:**

Re-allocation of the Kenora Project dollars will allow CHH to mitigate some very serious deficiencies that require immediate attention.

*Generator Deficiencies/Non-Compliance Orders* - The certificate report of noncompliance on the emergency generator systems were written on March 4/19 and covers seven of our high rise buildings. This includes 120 Strathcona, 191 Main St W, 200 Jackson, 170 East Avenue, 30 Sanford, 555 Queenston and 1100 Limeridge Rd E. These Orders prevent us from refueling the generators. CHH is currently monitoring all fuel levels and working with the Technical Standards and Safety Authority to get a variance while we resolve the Compliance Orders. The dollar value to this has not been determined at this time but could be in the range of \$150,000.00 to \$300,000.00.

*1 – 2 Oriole – Asbestos Abatement* - Delaminating asbestos was identified after the 2019 budget process had been completed. This property is currently being audited to identify the extent of the work required. It is estimated that this work will cost in

the range of \$450,000.00 to mitigate, including the relocation of residents during the abatement.

*20/30 Congress – Asbestos Abatement* - The asbestos abatement projects are a health and safety issue and must be addressed. When the asbestos was identified in 2018, an audit was performed immediately and any risk areas were temporarily addressed. CHH submitted and received approval for the cost of the abatement at 20 and 30 Congress in the 2019 Capital Reserve Budget but at the time of submission it was unclear as to the complete process that would be undertaken in dealing with accommodating the Residents. That has been determined and will require funds for creating hotel suites on the 10<sup>th</sup> floor of both buildings. The estimated cost for this will be \$300,000.00 to \$500,000.00, funds that we do not currently possess.

*95 Hess – Heating Replacement Design* 95 Hess St S, heating system requires the replacement of all piping. This was identified early this year after the power outage which caused many pipes to freeze and burst. This exposed the fact that aging piping is wearing thin and more susceptible to splitting. CHH is recommending the design work be completed this year using a portion of the Kenora funds and we would submit the replacement piping project in the 2020 budget. The estimated budget for the design work for this project would be \$120,000.00.

*HVAC First Place – Housing Services Expansion* The Heating, Ventilation, and Air Conditioning (HVAC) work that is required at First Place, 350 King St E, is needed to accommodate the expansion of Housing Services in the commercial space on the first floor. Housing Services has expanded to accommodate additional staff. This requires additional design and upgrades to the HVAC system. The additional costs have been estimated at \$250,000.00.

## **CONCLUSION:**

It is recommended that CHH re-allocate funds from the Kenora project - C1818 and initiate the following projects;

- Generator Deficiencies/Non-Compliance Orders
- 1 – 2 Oriole – Asbestos Abatement
- 20/30 Congress – Asbestos Abatement
- 95 Hess – Heating Replacement Design
- HVAC First Place – Housing Services Move

The funding available from Kenora will not complete all projects but will provide an influx of funds to complete or initiate the Emergency Projects previously identified.

## **ALIGNMENT TO THE 2017-2021 STRATEGIC PLAN:**

This report implements:

### **Healthy and Strong Communities**

CityHousing Hamilton believes that housing is a key influential determinant of health and is strongly tied to the quality of life as it impacts the physical, social, emotional and mental health of all persons.

### **Built Environment and Social Infrastructure**

CityHousing Hamilton is committed to finding new ways to be innovative that will contribute a dynamic City characterized by unique infrastructure, buildings, and public spaces. The maintenance, renewal and new development of our housing stock will ensure that the quality of life, well-being and enjoyment of our residents', influences the design and planning of our homes.

TH/bl

Mission: We provide affordable housing that is safe, well maintained and cost effective and that supports the diverse needs of our many communities.