



To: COUNCIL

Meeting Date: 01/21/20

Subject: Demolition of Unsafe Building at 102 Fountain St. S

Submitted By: Dennis Purcell, Chief Building Official

Prepared By: Dennis Purcell, Chief Building Official

Report No.: 20-033(CD)

File No.: C1101

Recommendation(s)

THAT council receive as information the determination of the Chief Building Official that the vacant building, known as the Preston Springs Hotel, at 102 Fountain St. S, is unsafe;

AND THAT the Chief Building Official advise the owner, who will be directed through the issuance of an Order to Remedy an Unsafe Building, under Section 15.9 of the *Building Code Act*, to demolish the structure.

Executive Summary

Purpose

- The building at 102 Fountain St. S known as the Preston Springs Hotel and designated a heritage property under Part IV of the Ontario Heritage Act, has been boarded up and vacant in excess of 25 years.
- The property has been the subject of numerous complaints and concerns by the public for a number of years as outlined in Appendix A.
- Recent receipt of engineering reports and inspections identifying numerous deficiencies, unsafe conditions and significant challenges to addressing those concerns have formed the basis of the Chief Building Official determining that demolition of the structure is the appropriate action to be taken to address public safety.

Key Findings

- Due to the significant costs and extensive amount of work to repair the building to a minimum standard and that the recommendations to do so would achieve uncertain results, demolition is deemed by the Chief Building Official to be the appropriate course of action for the sake of public safety and community well-being.

Financial Implications

Engineering reports received have identified that repairs to restore the building to a minimum standard are cost prohibitive.

The Building Code Act grants the Chief Building Official the authority to take such action as they consider necessary for the protection of the public and allows the municipality to have a lien on the land for the amount spent on the renovation, repair, demolition or other such action. Enforcement of this provision in the Act would only be necessary in the event that demolition by the owner of the property is not completed to the satisfaction of the Chief Building Official.

Background

The property at 102 Fountain Street South, often referred to as the Preston Springs Hotel, is designated heritage property under Part IV of the Ontario Heritage Act. A heritage conservation easement was registered on the property title on February 29, 2000. The easement was permitted in accordance with Section 37 of the Ontario Heritage Act.

The purpose of the easement is for the conservation and preservation of the heritage building with the following obligations of the property owner:

- Prohibiting the demolition or alteration of the exterior building.
- Requiring the owner to maintain insurance equal to the value of the replacement cost of the building.
- Maintaining the building in a state of good repair.
- Enables the City to carry out any of the property owners obligations under the agreement at the owner's expense.

The heritage easement was obtained as part of a \$100,000 financial contribution from the City to a previous owner for improvements to the building (steel roof and stucco exterior façade). Additional information from the Chief Building Official and City Clerk in this report sets out the City's involvement in dealing with the Preston Springs property since the heritage easement was registered on the property title.

Policies in Section 4.3. 6. and 7 of the City of Cambridge Official Plan set out that:

6. Property owners may request Council to remove their properties from the Register if they demonstrate: a) the information included on the Register is incorrect; or b) the property no longer has cultural heritage significance based on the research conducted by an independent professional heritage consultant.

7. Council may decide, upon receiving new information, to remove the property from the Register.

The building has been vacant, boarded up and exposed to the elements for more than 25 years. As a result the building is in an advanced state of deterioration and decay. Over the course of that time there has been a history of significant challenges in maintaining minimum property standards, preventing access and keeping the building secured. City of Cambridge By-law division has received and continues to receive numerous complaints and calls in regards to these matters, including calls from other municipal agencies like Waterloo Regional Police and Cambridge Fire Department. Despite the owners' efforts to keep the building secured and install and repair breaches in the building perimeter and envelope, the problem persists. There is a determined segment of society that insists on entering on to these premises despite clear barriers, created and otherwise, to that entry, including youth, vandals and scavengers, the homeless, "urban explorers", graffiti artists, those with a fascination with the paranormal and thrill seekers who have caused further destruction to the interior.

Property Standards issued a minimum standards order on November 6, 2019 to the owner requesting an engineer's report to provide an up to date structural assessment of the building. On December 16, 2019, the owner provided a report from Strik, Baldinelli and Moniz that detailed numerous deficiencies and unsafe and hazardous conditions with the structure with recommendations that were acknowledged as technically challenging and cost prohibitive and identified demolition as the preferred option. On December 20, 2019, the City hired an independent firm, IRC Building Sciences Group, to do a peer review of that report. The Chief Building Official, along with Property Standards officers and Fire Prevention officers, accompanied the engineers on an inspection of the building and property on January 8, 2020 and was provided a subsequent report which corroborated Strik, Baldinelli and Moniz findings.

Both of these firms have experience with heritage buildings.

The Chief Building Official has determined that the building is unsafe and that the necessary course of action is to issue an Order to Remedy an Unsafe Building and to direct the owner to demolish the building to remedy the unsafe condition.

If an application for demolition is received for Preston Springs, the application will be circulated to various City staff for review and comment. From a heritage perspective,

planning staff will be recommending a salvage plan and measured drawings as conditions of the demolition permit.

Analysis

Strategic Alignment

PEOPLE To actively engage, inform and create opportunities for people to participate in community building – making Cambridge a better place to live, work, play and learn for all.

Goal #1 - Community Wellbeing

Objective 1.1 Work with partners to create a safe, inclusive and accessible city.

The building is unsafe and its level of deterioration has led to the loss of much of its historical potential. Combined with the challenges to achieve certain results with restoration and public safety being of prime importance, demolition of the structure is the necessary action to keep the community safe and preserve its well-being.

Comments

The Preston Spring Hotel has suffered from serious neglect over the years, which has led to the loss of much of its historical potential as well as rendering the existing structure unsafe and potentially dangerous. Public safety is of overriding and paramount importance and there is a level of deterioration and decay that has left the restoration of the building to a minimum standard with significant and costly technical challenges that are cost prohibitive. Engineering reports identify that deterioration is occurring at an accelerated rate and inaction will lead to structural failure. The engineering reports provided are detailed but not exhaustive and evidence suggests that costly and technically challenging repairs will achieve uncertain results and suggest that demolition is the preferred option. The Chief Building Official has therefore determined that demolition is the appropriate action to take to address the unsafe building. Recognizing that the decision to demolish may bring discord from residents across the City, the heritage community and media, the City will work to make certain that communication is provided members of Council and the public about the City's commitment to public safety. The owner will be encouraged to submit a salvage plan to ensure that any historical value left in the building can be captured. The owner can work with the City to find options to pay tribute to the history behind 102 Fountain Street South and the former Preston Springs Hotel.

Existing Policy/By-Law

Heritage By-law

By-law No. 16-92 – to designate the exterior of 102 Fountain street South, the former Preston Springs Retirement Home, Cambridge Ontario, as a property of architectural and historical significance.

Heritage Easement Agreement

Easement Agreement for conservation and presentation of a heritage building.

City of Cambridge Official Plan

- Section 4.3. 6. and 7

Ontario Heritage Act

- Section 31
- Section 34

Building Code Act

- Section 1.1(6) *Role of Chief Building Official*
- Section 15.9 *Unsafe Buildings*

Financial Impact

Engineer reports received have identified that repairs to restore the building to a minimum standard are cost prohibitive. The *Building Code Act* gives the Chief Building Official the authority to take such action as he or she considers necessary for the protection of the public and allows the municipality to have a lien on the land for the amount spent on the renovation, repair, demolition or other such action.

IRC Building Science Group's recommendations in their report are to address immediate concerns and to make the building secure to prevent access to unauthorized personnel and to make it safer for any authorized personnel.

The SBM report addresses their immediate concerns and also the issue of making the building weather-tight for which they give a timeline of one year.

With respect to budget costs associated with the above, IRC Building Science Group has broken costs down into three categories:

- Immediate costs for securement and safety would be in the range of \$500K to \$750K. The bulk of this cost would be associated with stabilizing the west wall and limiting access to the west addition.
- Making the building weather-tight in the hope of diminishing the rate and extent of deterioration would be another big cost in the range of \$1.5 to \$2 million given the size of the building and the extent of the breaches in the building envelope.
- The third cost would be associated with security monitoring as outlined in our report. Annual costs would be in the range of \$25K.

Note as well that both engineering reports are limited to what could be observed without any detailed assessments. Costs could therefore be much higher given the potential for major hidden defects.

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Internal/External Consultation

External Consultation

- The Chief Building Official is in receipt of an engineer's report from the firm of Strik, Baldinelli and Moniz that has provided an assessment of the structure's condition. This report was provided as result of a minimum standards order issued to the owner requesting the report be provided to the City
- The City had this report peer reviewed by the firm IRC Building Sciences Group. Further the Chief Building Official accompanied engineers from IRC Building Sciences Group on an inspection of the structure and was provided with their own report.
- Chief Building Official, Mike Seiling, from Kitchener who dealt with a similar situation in 2015 with the Mayfair Hotel in downtown Kitchener.

Internal Consultation

- Corporate Leadership Team
- City Solicitor
- Chief Planner
- City Clerk

Conclusion

The building has been vacant for decades and exposed to the elements which has led to ongoing and pervasive deterioration of the building. Structural assessment of the building by two independent engineering firms, both with heritage experience, have determined that the building, as it stands now, is in very poor condition from a structural perspective and that the deterioration will accelerate rapidly in the next few years eventually leading to structural failure if no action is taken. The assessment further declares that the deterioration of the structural components of the building and loss of most of the original architectural elements leaves little to be salvaged. The engineering reports acknowledge that restoration of the existing building to meet minimum standards presents significant and costly technical challenges which are cost prohibitive. Amongst the concerns identified are multiple openings and breaches in the building envelope, openings in floors and a multi-wythe brick wall that demises the original building from the west addition that is in a state of collapse.

Their recommendation is that these costs be redirected into a redevelopment of the site that is architecturally sympathetic to the original building.

Public safety is of paramount importance. Given the significant challenges technically, financially and security wise of restoring the building to a minimum standard of safety identified, and evidence of uncertain results, the Chief Building Official has determined that demolition is the appropriate action and will be issuing orders to the owner of the property immediately directing such action.

Signature

Division Approval

Reviewed by the CFO



Reviewed by Legal Services

Name: Dennis Purcell
Title: Chief Building Official

Departmental Approval



Name: Hardy Bromberg
Title: Deputy City Manager, Community Development

City Manager Approval

<Insert scanned signature file>

Name: David Calder

Title: City Manager

Attachments

- Attachment 1 – Operational Issues Timeline

Attachment 1 – Operational Issues Timeline

The City has numerous files and records related to the property at 102 Fountain Street South. The records show the following *verbatim* detail:

1995-1999

- Complaints filed (no detail reported in Amanda related to the complaint)
- Permits/Inspections – related to roof, electrical, structural condition, mold
- Permit revoked – due to work not being completed / work being suspended for over a year since permit issued (water piping throughout partial rough in only completed)
- July 1997 – Grant from Cambridge Council for \$100,000 approved from Heritage Conservation Fund – to assist with restoration of stucco, porch and windows – Heritage Easement Agreement completed to secure conditions of funding.

2002-2009

- Compliance letter issued February 2002
- Compliance letter issued July 2002
- Complaint received – June 2006 fire at building – Unsafe order issued to secure the building – complied with and paid
- Complaint received – September 2006 (no access to structure observed)
- Complaint received February 2008 South side of building contains holes in exterior, cladding board deteriorating requires securing. Inspection completed March 14, 2008 order not yet complied with fully only temporary measures taken – order issued with request placed to postpone until Spring to comply. May 2008 work in progress July 2008 – inspection completed - complaint signed off
- Complaint received October 20, 2008– re: people gaining access to building, no access observed upon field inspection
- Report from Rob Home PI-110-00, Director of Planning, November 8, 2000

Summarizing that work has been occurring for a year on the property to renovate Preston Springs Gardens. Renovations included review and modifications to building drawings, the issuance of building permits, and a grant of \$100,000 from the City's Heritage Conservation Fund as a contribution to the porch and widow's cap. Work has stalled as of Nov. 2000 and staff will continue to work with the owners and architects to pursue next steps

- Complaint received December 2008 – Fire Chief placed complaint due to front windows not being secure – windows boarded up.
- Complaint received – December 2008 – complaint related to smashed windows, inspection did not show glass on the property, windows boarded up.
- Complaint received – July 2009 call concerning fire, two windows opens on second floor, inspection completed.
- Complaint received – September 2009 Building appears to be accessible again via holes or boards being removed. Upon inspection, building not shown to be accessible.
- Building permit issued December 2009 – renovation to one suite.
- Compliance letter issued December 2009 – Zoning, compliance of site development, official plan designation, heritage act designation, and variances.

2010-2019

- Complaint received February 2010 related to stabilizing structure
- Complaint received March 15, 2010 north column damaged as a result of motor vehicle collision. Base of column damaged. Field inspection completed order issued, sidewalk around column barricaded, repairs to column completed.
- Complaint received May 2010 litter on property
- Complaint received September 2010 fence on property in disrepair, Region owns the fence as it sits on the regional road allowance and asked to install a new fence to secure property.
- Complaint received July 2011 tall grasses and weeds 40” in height. Notice of contravention issued – placed on front door. August 2011, order removed from front door. Returned with contractor to trim all weeds and grasses to meet standards for lot maintenance.
- Complaint received January 2012 two openings at rear of building. WRPS called to clear the building upon inspection. Requested owner to close all openings and secure building. Work completed
- Complaint received August 2012 building appears to be accessible again. Request to have owner close all openings and secure building. Sept 2012 work completed.
- Council Meeting - October 22, 2012

COUNCILLOR KIEFER (SECONDED BY COUNCILLOR PRICE)

PRESTON SPRINGS BUILDING

Recommendation

THAT Council request that the Mayor and Chief Administrative Officer meet with the owners of the Preston Springs Building, concerning the future plans, and timing of any plans, and report back to Council, with the permission of the owners, on any future plans for this building.

- Application for permit December 2012 request to demolish garage in rear of building. Work completed in January 2013
- Compliance letter issued January 2013 – building permit, zoning letter sent
- Complaint received March 2013 building unsecure and accessible. Attempts to contact owner made. Upon further inspection building appears to be secure.
- Complaint received March 2013 two windows on front facade
- Complaint received July 2014 related to graffiti on the building
- Order issued August 14, 2014 – secure vacant building to prevent entrance – unsafe to general public
- Inspection couple days later in August shows notice removed from property
- Complaint received April 2015 front windows broken
- Complaint received June 2015 height of weeds around building in contravention of lot maintenance
- Complaint received April 2015 broken windows, cladding coming away from building, two pits in ground open, dangling roof/cladding, debris along rear of building, evidence of entry, revisited with contractor and property standards, repairs required. Notified owner to repair.
- Complaint received June 2015 grass and weeds around building
- Complaint received October 2015 contacted by WRPS that building was accessible and not secure. Owner to have building secured
- Complaint received October 2016 front door pried open and ground level windows damaged. Owner notified and secured the building within 3 days.
- February 2017 3 concepts for site plan proposals received. Site Plan Concept A is for a proposed 60 unit apartment building within the existing Preston Springs

Hotel and new 6 storey apartment building adjacent to the Preston Springs with 85 dwelling units. This application requires demolition of the two detached residential dwellings located at 134 and 144 Fountain Street North. Site Plan Concept B is similar but proposes a different access arrangement. Site Plan Concept C proposes a stacked parking system on the south side of the existing Preston Springs Hotel and conversion of the existing building into residential dwelling units with no other changes and the demolition of an existing heritage designated property at 138 Fountain Street North to accommodate structured parking. March 2017 file assigned, planner reviewed, sanitary capacity assessments completed, agency comments collected (fire, economic development, sanitary capacity, transportation, energy, WRDSB, WCDSB, Planner – Heritage, Sustainability, Senior Planner urbanization.

- Complaint received April 2017 access to building unsafe, back window open, contacted owner to secure building. Five days later building not yet secured, order issued and placed on front door on April 19, April 24 order complied with.
- Complaint received May 18, 2017 two windows broken front of building. Building remains unsecure. Order issued. Returned May 23, 2017 windows boarded up. Building secure.

Complaint received July 2017 Graffiti on building, order issued to remove graffiti on building within 14 days.

- Complaint received July 6, 2017 Lot maintenance service request due to long grass and weeds. Clearing of debris required including skids on site. Contacted owner requesting attention order of contravention issued. July 22, 2017 lot maintenance not yet completed, contacted owner again. August 7, 2017 visited again. Work completed as per order.
- Pre-consultation application received August 30, 2017 for 102-110 Fountain Street south, 134 and 144 Fountain Street North
- Complaint received December 2017 WRPS contacted the City as the building appears to be unsecure. Contacted owner to advise of possible unsecure building. Field inspection found front door had been broken into, rear showed an open pit. Owner complied and secured property.
- Complaint received February 2018 windows broken, doors broken and open. Owner contacted
- Complaint received April 2018 building unsecure from rear. Meeting to be arranged with owner and heritage due to condition of property. Order issued.

- Meeting arranged April 18, 2018 with Property Standards, Legal, Building and owners, determined that an order will be issued again with all issues outlined for owner to address. Order placed on property and on front door on April 23, 2018. Contractor requested to get a quote for the hoarding April 30, 2018.
- Complaint received May 8, 2018 call regarding building being unsecure. Contacted owner who indicated they had tried to contact someone about hoarding but wanted the City to arrange for it. City collected a quote same day for hoarding and provided it to owner.
- May 11, 2018 Owner provided with quotes obtained by City contractors and owner indicated they were only hoarding specific areas and that plywood would also be used to secure. Contact with owner indicated work to be completed by May 29, 2018.
- May 15, 2018 Special Council Meeting – Council approved a working group composed of Councillor (s) Reid, Mann, Wolf, Regional Councillor Keifer to work with the developer Paul de Haas with the intent to investigate a possible option of affordable housing for the Preston Springs and that the Committee report back to Council by July 2018.
- May 25, 2018 – General Committee – Briefing Note re: 102 Fountain Street South – Report No: 18-086(CD) Preston Springs Update

Purpose To provide Council an update as to enforcement action being undertaken to see that the vacant structure at 102 Fountain St. S., known as “Preston Springs” is maintained and secured in accordance with the Property Standards By-law, the *Building Code Act* and the *Ontario Heritage Act*. This report provides history as to what has transpired over the years with the property and what is required of the current owners to secure and maintain the property. This report does not address future development plans for the property. This report is in response to continual complaints received from, and interest by the public, as to what is happening with the vacant structure.

- Complaint received May 30, 2018 lot maintenance complaint regarding long grass notice issued.
- Complaint received September 2019 hoarding not secure, metal hanging from building, Styrofoam coming loose, order issued September 27, 2019 to secure the building and repair damaged hoarding and monitor the site weekly
- Complaint received November 2019 hoarding not secure, order issued November 6, 2019 for an engineer’s report assessing structural soundness. Secure the building

- Orders issued November 12, 2019, request for a structural engineers report from City
- Extension requested from owners on November 22/23, 2019 and request from engineer to ask what specifically should be considered in addition to the engineers report submitted in 2017.