Corporate Report

NO: R198

COUNCIL DATE: September 15,

2003

REGULAR COUNCIL

TO: DATE:

Mayor & 2003

Council

FROM: General Manager,

FILE: 0125-20

(BC Building **Planning and Development**

Code)

September 12,

SUBJECT: **Leaky Condominiums**

RECOMMENDATION

It is recommended that Council:

- 1. Receive this report as information; and
- 2. Instruct the City Clerk to forward a copy of this report to Carmen Maretic, President of Compensation and Accountability to Soaked Homeowners (CASH) Society.

BACKGROUND

At the Council-in-Committee meeting on April 28, 2003, Carmen Maretic, President of the Compensation and Accountability to Soaked Homeowners (CASH) Society (the "CASH Society"), appeared before Council to make a brief presentation regarding leaky condos and to request that Council forward a motion to the UBCM requesting that a stakeholder table, with representation from all affected stakeholders, be established in order to advance solutions to the leaky condo situation. Council requested that staff prepare a report on the status of the leaky condo situation and on the request made by the CASH Society.

DISCUSSION

Leaky condos continue to be a significant issue in the City of Surrey and within the Province.

Building Science and Wall Designs

The construction industry has responded to the leaky condo crisis with a new generation of wall system designs and a renewed emphasis on quality control. The Building Division of the Planning and Development Department has kept pace with these changes by attending a variety of courses and training sessions including, among others, completion of the four modules of the Engineers' and Architects' Building Envelope Education Program.

Planning and Development staff have also processed changes to Surrey Zoning By law 1993, No. 12000 (the "Zoning By-law") to better accommodate the construction of the new wall system designs. The new generation of rainscreen wall systems are thicker than traditional wall systems. The density provisions of the Zoning By-law have been revised to accommodate the new rain screen wall designs without counting any of the additional wall thickness as floor area. This method of calculating the floor area removes the "density penalty" that would have otherwise resulted from the new wall systems. This change was intended to remove impediments in relation to the construction industry adopting these new wall system designs as a standard.

Provision of Technical Information and Advice

Planning and Development staff receive and respond to numerous inquiries concerning building envelope repairs; the City's grant program for fees associated with building permits for building envelope repairs; the Homeowner Protection Office requirements for licensing of repair contractors; and other related matters. To assist the owners of leaky condos, building permit applications for repairs to building envelope systems are processed on a priority basis.

Grant Program for Reimbursement of Building Permit Fees

In 2000, Council authorized a policy and related program that provides a grant to the owners of leaky condos in an amount equivalent to the building permit fees associated with building permits that are issued for building envelope repair work. In essence, the program acts to eliminate the expense to condominium owners for the building permit fees associated with building repair work arising from the premature failure of the building envelope system. In adopting the program, Council requested that staff report to Council, on an annual basis, the value of the grants that have been processed under the policy. The following table summarizes the grants that have been issued by the Building Division, to date, under this Council-adopted program.

Year	Apartment	Townhouse	Number of Permits	Grant Amount
	Projects	Projects		
2000	25	15	40	\$118,005.90
2001	7	3	10	\$56,019.00
2002	9	0	9	\$43,117.00
2003 (to date)	3	0	3	\$14,525.16
Total	44	18	62	231,667.06

The total value of grants issued to date is approximately \$232,000.

GVRD Fees for Disposal of Construction Waste

Soon after leaky condos were recognized as being a significant issue in the lower mainland, the GVRD was requested to consider waiving or reducing tipping fees for construction wastes generated from the repair of leaky condos. The issue was brought before the GVRD Solid Waste Board. The Board concluded that this waste should be addressed in the same manner as other recyclable construction materials in order to promote the diversion of recyclable waste from the landfills.

CASH Society Request for a Motion to be brought before the UBCM

Carmen Maretic, President of the CASH Society appeared before Council-in-Committee on April 28, 2003 and asked that Council put a motion to the UBCM requesting that "a stakeholder table, with representation from all affected stakeholders, be established to advance solutions to defective construction, increased exposure to and unfair distribution of compensatory damages and protect the future health of the construction industry, local economies and

building users". As a result of a similar request, the City of Coquitlam has already put forward such a resolution to the UBCM and it is on the agenda of resolutions that will be considered at the UBCM Convention in late September, 2003.

CONCLUSION

Leaky condos continue to be a significant issue in Surrey and within the Province. Design and construction of new residential condominium projects are being undertaken with a focus on ensuring that the wall systems are designed to properly protect the buildings from premature failure.

In response to this situation, the City has:

- revised the Zoning By-law to facilitate incorporation of the new rain screen wall designs in building construction;
- implemented a grant program to reimburse owners of leaky condos the amount of the building permit fee that is payable for building permits associated with building envelope remediation; and
- informed and educated Building Division staff with respect to advances in building envelope technology so that they are in a better position to assist the public.

The resolution that the CASH Society has requested that Surrey Council consider forwarding to the UBCM has already been forwarded to the UBCM by the City of Coquitlam and will be on the agenda for discussion at the upcoming UBCM Convention at the end of September. It is recommended that the City Clerk be authorized to forward a copy of this report to Carmen Maretic of the CASH Society.

Murray Dinwoodie General Manager Planning and Development

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