



January 13, 2016

His Worship Mayor Rick Goldring
City of Burlington
426 Brant Street, PO Box 5013
Burlington, ON L7R 3Z6

Re: 2411 New Street, Burlington and the 2411 New Street Homeowners Association

Dear Mayor Goldring,

I am writing to you on behalf of the owners of the condominium homes at 2411 New Street – a building occupied by 56 families, many with children and senior citizens, stranded in homes they cannot sell because the building was constructed with supporting slabs that cannot support its weight. Building inspectors for the Municipality of Burlington have on two separate occasions and 30 years apart, approved the building. This is despite the fact that the building had not been constructed to the minimum requirements of the National Building Code and CSA A23.3 – 1959 “Code for the Design of Plain or Reinforced Concrete Structures”.

Our firm, Campbell Strategies, is a government relations and communications firm that, on a pro bono basis, is representing the 2411 New Street Homeowners Association. This group that is not associated with any of the legal activities of individual residents or their legal counsel. Our firm seeks to establish a solution outside of the legal process and resolve the longstanding issues at the building to the benefit of both the homeowners and the City of Burlington.

As the City knows, the assets these residents own are for all practical purposes worthless, despite the significant investments each homeowner has made to improve the lives of their families. The stress these families live under, daily, is tremendous, as each creak and crack in the building foretells of pending and catastrophic collapses of a single unit or units, or a single floor or floors.

The irony is that one of the reasons that City Council approved the transfer of building’s status from rental to 56 owner-occupied condominium units was to allow some of Burlington’s lower income residents to acquire the benefits of homeownership.

While the intentions of Council at that time were good, their actions to approve this transfer (and the building department’s required inspection of the building and the individual units) has now, unfortunately, stranded these same 56 individuals and their families in homes they cannot insure, sell, or acquire a mortgage. Council’s 1995 decision to help some of Burlington’s working poor to build wealth through homeownership has burdened them with not merely a “white elephant”, but one that has robbed them of whatever assets they had, placed their health and welfare at considerable risk, and placed significant financial and emotional burdens on their future.

In 2014, Money Sense Magazine named Burlington “Best Mid-Size City to Live” and the fifth best city to live in all Canada. The resident homeowners at 2411 New Street may disagree, as may other residents of City and Canada if news of this situation were to become public. Moreover, should the building (or portions of it) collapse, people may be injured or die. Burlington may then acquire the notoriety of Elliot Lake. The cause of the collapse of the main shopping mall in that town was (according to the post-collapse inquiry) “apathy, neglect and indifference to mediocrity, ineptitude, incompetence and outright greed” and “secrecy and confidentiality often trumped candour, transparency, and openness.”

Unlike the tragedy in Elliot Lake, however, several independent and highly credible engineering firms have well documented the state of the building at 2411 New Street and its potential failure as a structure. Our review of the publicly-available court documents identify that the City (and/or its insurers) will have to pay \$2.5 million or more for repairs that may not completely address the safety issues of the building. Nor, even if such physical repairs are ultimately completed, will they repair the considerable reputation damage to the building and the loss of value as real estate assets.

So, while insurance companies, engineers, and lawyers representing different and multiple parties debate details, minutiae and responsibilities in this very complex legal case – the people living in the building remain unable to move their lives forward and establish themselves in new accommodations that are safer and within their financial means.

Ironically, if the building had remained a rental property, then many of the same individuals who purchased these units would simply have been able to walk away from its crumbling walls, cracked ceilings, and balconies that are too dangerous to stand on.

In approving the building for occupancy, the City of Burlington made a mistake. It is time to right that wrong and make whole the lives of the people who have had to live with the consequences.

Our proposal

As a series of individual homes at 2411 New Street, the homes are practically worthless. Moreover, their continued occupancy represents a health and safety risk to its occupants and a significant reputational risk to the City of Burlington.

If all or part of the building ever collapses, it is very likely that members of Council and City Administration will face legal action and media inspection far greater than the Elliot Lake mall disaster (Burlington is part of the GTA rather than a relatively remote town in Northern Ontario). Even without an incident at the building, GTA media – both social and traditional – are likely to be interested in how Burlington cares for its working poor versus the people in its wealthiest neighbourhood, just a few hundred meters away.

I am confident that this is not how the administrators of the City think, nor its members of Council. So, we propose to create solution outside of the legal process that will benefit all the homeowners of 2411 New Street and the City, including its taxpayers.

We propose that the City purchase each unit in the building from each of its current owners at fair market value, as if the building had indeed been built to code standards. While real estate values in Burlington have risen at about 3 percent per year since 1995, the value of these units to their owners has dropped to nothing in that same period. With the City purchasing each of these units, the families can walk away financially whole and re-start their lives.

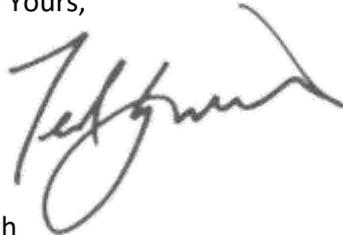
While the units themselves are worthless, the land on which they sit has considerable value – especially if it is re-purposed as modern, luxury condominiums or perhaps a residence for Burlington’s growing senior population. Its location is ideal and part of the city’s long-term plan for the Guelph Line and New Street area. The City can demolish the building and sit on the land as an investment or sell the property to a developer – one that will increase the value of the property and city’s property taxes from it.

About Campbell Strategies

Campbell Strategies (www.campbellstrategies.ca) provides public affairs counsel to many of Canada’s Top 100 companies and industry associations. On occasion, we select a non-profit organization that is struggling with complex issues concerning government policy and help them on a pro bono basis. In 2015, we successfully managed the public affairs campaign for Canada’s living victims of Thalidomide negotiating with the Government of Canada to provide the 96 victims with a \$180 million in annual living support and medical expenses (see <http://www.theglobeandmail.com/news/national/the-aftermath-of-thalidomide/article21689771/> and <http://ipolitics.ca/2015/05/22/thalidomide-survivors-celebrate-breakthrough-on-lifelong-pensions/>).

As I am a concerned resident of Burlington, I will be leading the file for the 2411 New Street Homeowners Association. I look forward to meeting with you and your colleagues to discuss their situation in more detail.

Very Truly Yours,



Ted Griffith
Principal, Communications Stakeholder Relations
Barry R. Campbell Strategies Limited

cc: James Ridge, City Manager, City of Burlington
Marianne Meed Ward, Councillor, Ward 2
Brian Kelly, Chief of Staff, Mayor’s Office