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**Date:** 3/22/2018 6:54:42 PM  
**Subject:** Cobalt Hotel - Update

Dear Mayor and Council,

We have received questions from media about the status of structural repairs being required by the City at [917 Main St](#), a Sahota-owned building which houses the Cobalt Bar. We wanted to provide you information on the situation should you have questions or receive questions about the situation.

Please see the summary outlined below and contact Kaye Krishna if you have questions or would like to further discuss.

Best,  
Paul

#### **Summary of the [917 Main St. \(The Cobalt\)](#)**

[917 Main Street](#) is a mixed use building owned by the Sahota family, which includes SRA housing above a retail-level bar, the Cobalt, which is owned and operated by a separate entity that leases the space from the Sahotas. The City has communicated to the Sahotas the need to remediate issues on the first floor (retail level) of the Cobalt building for some time. Based on feedback from local advocates as well as the bar operators, the City asked the Cobalt building owners to obtain a professional opinion on the structural integrity of the first floor and, based on the results of the letter, ordered the owners to obtain required permits for floor and structural repair.

The building owners committed to doing the work but the City found that little progress was being made against the approved work. In November, the City met with the owners and required them to get an updated letter from their engineer assessing the conditions of the first floor. In response to the letter, the City required the owners to commit to making the approved permanent renovations starting no later than February 2018, to immediately implement temporarily shoring for the first floor, and to limit the occupancy of the pub until the shoring was complete. That month, temporary shoring was installed in the crawlspace to support the pub floor with permanent repairs slated to begin in February 2018.

In December 2017, the City learned that the building owners were not communicating with the bar operators, and so the City met with the Cobalt owners to discuss the expectations for construction. The City wanted to minimize the impact on the local business and the performing arts community, so based on another requested structural review conducted in January, the City agreed to allow the bar to remain open another 90 days in order to allow the bar owners to plan for a period of construction and to minimize impact to their operations. The City has offered to help the bar owners with this transition by helping to identify potential new spaces or ways to sponsor special events while their business will be disrupted.

Monthly reviews of the temporary shoring will be completed by an engineer during these 90 days to ensure ongoing safety of the ground floor. There is currently a permit in place to complete the renovations and we understand that the owners intend to start construction in early May. The City is not aware of when the work will actually commence or who the owners have contracted to complete the work, however a professional engineering company has been retained to oversee the project. Construction is expected to last approximately 3 months, but that will depend on the construction management.

The city does not expect the ground floor repairs will impact the residential component of the building and residents should not be displaced as a result of these repairs. The City's Property Use team is responsible for inspecting Single Room Accommodations (SRAs) and has visited the Cobalt multiple times over the past several months. An inspection of the Cobalt on June 26-27, 2017 identified 94 violations of the Standards of Maintenance by-law in the common areas and residents' rooms. Through a course of several follow up inspections, most of the violations were resolved. The most recent inspection on January 29 - 30, 2018 identified five remaining outstanding violations, which have now been referred to the prosecutor's office for charge approval.