

various other things. We had to make submission to the Ontario Municipal Board in order to get relief. Instead of getting 50 per cent parking, we wanted parking to the extent of one space for every six units.

Senator GROSART: What does the present by-law call for in Ottawa?

Mr. PALEF: Fifty per cent. In other words, if we have 122 units, we would be required to have 61 total apartment spaces; but we knew that we didn't have this requirement.

Senator GROSART: And are you saying the City of Ottawa was adamant on this by-law?

Mr. PALEF: They had to go to the Ontario Municipal Board, and they initially put through the by-law at our request, and at the request of the Kiwanis, in order to get relief for parking.

Senator GROSART: I understand you to say that the City of Ottawa, which had an interest in this, had to go to the Ontario Municipal Board to change its own by-law?

Mr. PALEF: That is right.

Senator GROSART: Well, that is a good example of red tape. Of course, I am not saying some of it is not necessary.

Mr. PALEF: We were also subject to the same regulation with respect to a high rise sewer charge. We obtained no relief from Ottawa for taxes. We had to satisfy all the people involved in this financially, that there were adequate funds to build the project, and also to assure them that there were adequate funds to make the project meet the current budget so that there would be sufficient income to equal the total operating expenses.

Senator GROSART: At 100 per cent occupancy you would have—

Mr. PALEF: We break even.

Dr. DAVIS: At what rent?

Mr. PALEF: The rents here are based on one bedroom apartments at \$60, and bachelor apartments at \$51 per unit.

Senator CAMERON: Would you define those units?

Mr. PALEF: The bachelor apartment has a total square footage of 396 square feet, and it is intended to accommodate one person; it has a kitchenette, bathroom and a bedsitting room. The one bedroom apartment, has, I would say the equivalent of two bedsitting rooms, kitchen and a bathroom. Now, the bedsitting rooms are interchangeable to the extent that you could rent them for single occupancy or double occupancy.

Senator CAMERON: What percentage do you allow for maintenance, taxes, upkeep, and so on?

Mr. PALEF: As a percentage of revenue?

Senator CAMERON: Capital.

Mr. PALEF: I would prefer to attempt to correlate expenditures with revenues, rather than correlate expenditures to a capital cost. But let us say that in so far as the revenues are concerned, we have a total revenue estimated here of \$83,520. The application of those funds goes this way: We have a City of Ottawa total tax payment of just about \$20,000. Of \$39,000, \$20,000 of this goes to the City of Ottawa between municipal taxes and its water and sewage charges. The rest of it is made up of insurance, light, heat and power, and those normal operating charges. So that of a total revenue of \$83,520, \$39,000 goes towards the actual operation. Then \$40,000 is to take care of servicing and debt charge, and another \$4,481 for replacement reserve, which is calculated on the basis of 6/10th of 1 per cent of the cost of the project, excluding land, and various other aspects.