Blaney McMurtry LLP

PUBLICATION

Update on the Condominium Act Review

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In our previous issue of Blaney's on Building we reported on an announcement by the Provincial Government of its intention to launch a public consultation process to modernize the *Condominium Act, 1998*.

The consultation process, being undertaken in 3 stages, is now well underway and is anticipated to culminate in proposed Condominium Act reform scheduled to commence Spring of 2014.

We are now in the midst of Stage 1 of the review process, with Minister's Public Information Sessions well underway. Three public information sessions have been held in Toronto, Mississauga and Ottawa during the month of September, providing an overview of the consultation process and to gather some high level preliminary feedback from interested parties. Key concerns raised during these meetings include:

- need for low cost dispute resolution mechanisms;
- need for greater guidance with respect to financial management, and in particular, the concern regarding underfunding of condominium reserve funds;
- underqualified property managers and the lack of regulation over the condominium property management industry;
- concern over consumer protection and overly complicated disclosure to purchasers; and
- wide-ranging concerns regarding condominium governance.

In October, a panel of residents was selected by lottery to work alongside other stakeholders in roundtable discussions. Tammy Evans continues to work with the Condominium Act Review Committee established by the Ontario Home Builders Association (OHBA) and Building Industry and Land Development Association (BILD) in their efforts to make submissions to the Province for this important legislative initiative.

Stage 1 will conclude with the issuance of a Findings Report setting out a list of priority proposals for changes to the Act and scheduled to be released in early 2013.

Stage 2 will end with a detailed review of the Findings Report by condominium industry stakeholders, including the Residents' Panel, who will each then bring forward recommendations in an Options and Recommendations Report for changes to the legislation.

In Stage 3, the Residents' Panel and other industry stakeholder groups will again be called upon to review the Options and Recommendations Report and generate an Action Plan to be submitted to the Province by Fall 2013.

Blaneys will continue to work closely with the building industry to ensure that our clients' interests are brought forward during this consultation. We will keep you apprised of any new developments.

In related news, the City of Toronto has recently issued a Request for Proposal "to select a qualified vendor to conduct consultations with condominium residents and business occupants in order to identify changes to the condominium, planning and other municipal regulations and programs to address issues and problems associated with '*the way people are living in condos*'." The winning proponent will be required to consider changes to the *Condominium Act, 1998*, and Regulations, Official Plan, zoning bylaws, considerations during negotiations for new development (for example for negotiated section 37 or section 45 community benefits), Urban Design Guidelines, Planning Guidelines, Tall Building Guidelines and Green Standards Guidelines. It is interesting that the City of Toronto is undertaking these consultations parallel in time and objective to the Province's Condominium Act review. We will track this process closely. Stay tuned for further updates.