SPRING 2017

CONDOCONTACT

CREATING A VIBRANT, WELL-INFORMED EASTERN ONTARIO CONDOMINIUM COMMUNITY

AMENDMENTS TO THE CONDOMINIUM ACT: PHASE 1 OF THE NEW REGULATIONS

SPECIAL EDITION

Canadian Condominium Institute

CCI Eastern Ontario Chapter

Institut canadien des condominiums

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Canadian Condominium Institute
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INSIDE

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The winds of change are blowing strong this spring! As a result, your CCIEO Board decided to make our Spring Edition of CondoContact a special issue dedicated to providing as much information as possible to our members about the upcoming changes in the condominium industry.

As most of our readers will be aware, the Condominium Act has undergone significant revision, new legislation governing management has been introduced, and draft regulations are being prepared and reviewed, all with a view to implementing changes starting this summer of 2017.

As a result, there has never been a more important time for owners, directors and industry professionals to be involved in CCI, or to take advantage of the opportunities and initiatives offered by CCI.

For 35 years, CCI has been dedicated to educating the industry. As we move forward with all of this new legislation and licensing, CCIEO will be providing the local condominium industry with the tools and information necessary to navigate these changes, whether it be through education, networking, or access to resources. [As part of this Special Spring Edition, we have included a one-page "handout" which can be copied and distributed to all owners in your condominium to make sure that owners are aware of the significant changes which are coming down the pipe! We hope you find this helpful!]

As part of this ongoing commitment to our members, CCIEO has introduced monthly free seminars on hot topics, and has launched CondoStrength, a series of events run by directors for directors (see the enclosed article for more details). Our members should also keep a watch out for eblasts advising of new information or resources as they come to light, or become available. For example, the CMRAO and Condo Authority have introduced interim websites, and have asked CCI's assistance in advising our members of these sites, and their request for feedback and input. The websites are as follows:

www.cmrao.ca

www.condoauthorityontario.ca

We hope our members will take the opportunity to review these sites, and provide valuable input to assist the CMRAO and Condo Authority as they further build and develop their sites.

In addition, representatives of your CCIEO Board of Directors have recently participated in sessions with the Ontario Ministry, and the CCI Legislative Review Committee, to review the draft regulations, with a view to ensuring that CCIEO regional interests are also reflected in any proposed changes to the draft regulations.

These are exciting times for our industry, and for our members. We hope to see all of you at upcoming events as we gear up for change, and we hope that you enjoy this special edition!

Cheers, Nancy

BECAUSE NOT EVERYONE IN YOUR CONDO PLAYS THIS NICE.

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Justin Tudor, P.Eng.
President
Keller Engineering

If you live in a condominium in Ontario, you have no doubt heard about the changes which are coming to the Condo Act. This is the hot topic. You've surely had several discussions on the subject with your fellow board members, condo owners and property managers. But do you fully know what the changes are and are you prepared? You, our members, asked for current, up-to-date information and explanations of the proposed changes. This issue does just that!

You'll find a one page insert that lists the key topics which are covered in the First Phase of the Condo Act Amendments as well as helpful links to the Condominium Act with its contemplated changes, the Regulations, and to the regulatory bodies CMRAO and CAO. In order to make this information easily shareable, this page is also available as a download. Please share it with members of the Condo community.

James Davidson of Davidson Houle Allen guides you through the proposed **Amendments to the Condominium Act: Phase 1 of The New Regulations.** From Information Certificates to Mandatory Training for Directors, this summary of amendments will prove to be very informative.

In December 2015, Bill 106 was introduced which made it mandatory for Condominium Managers to be licensed to provide condominium management services in the Province of Ontario. **What Will Licensing of Condo Managers Look Like in Ontario?** by Rod Escayola of Gowlings WLG explains the changes (and challenges) Condo Managers will encounter.

While working in British Columbia, Sean Cornish of Apollo Property Management, experienced fist hand the processes of licensing Condo Managers. Sean provides his insight on what we can expect in **The British Columbia Experience with Licensing Condominium Property Managers.**

Will the amendments to the Condo Act better assist Condominiums with dispute resolution? Is there hope that it will be more cost effective and timely to resolve matters? In his article **How Will Legislative Change Impact Alternative Dispute Resolution?**, Marc Bhalla of Elia Associates reviews what he hopes might be positive changes to come.

And finally, Constance Hudak provides you with a summary on the success of our chapter's very first **CondoSTRENGTH** meeting.

This is only the first of several phases of changes to come to the Condo Act. CCIEO is committed to keeping you, our valued members, informed though every phase.

Justin Tudor is a professional Engineer. He is the president of Keller Engineering, a well known engineering firm in Ottawa. Over the past 35 years, Keller Engineering has worked on a wide range of condominiums across Canada, performing reserve fund studies, performance audits, building investigations and recapitalization projects.

Contributing to CCI Condo Contact

Editor's Contact Information

A benefit of CCI membership is the opportunity to share perspectives with one another by contributing and reading articles in CCI-Eastern Ontario's quarterly newsletter *CondoContact.*

If you are a condominium director, owner or manager, and have a unique tale to tell or advice to relay to other condominium boards, let us know! If you are a professional or represent a trade company offering services or products to condominiums and have a relevant article, let us know! The subject matter should be current, concise and helpful. Topics should relate to management and operation of condominiums and not be of a commercial nature.

ARTICLES MAY BE FORWARDED TO:

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Condo Act Amendments

Exciting changes are coming …are you ready? Do you know what they are?

A Note to Our Readers

(including all Condo Owners in Eastern Ontario)!

Amendments to the *Condominium Act, 1998* ("the Act") have received Royal Assent, and are now waiting to be proclaimed in force. But before the amendments can be proclaimed, the province must pass new Regulations that will contain additional details contemplated by the amendments.

The Regulations will be passed in ***phases***; and we're therefore assuming that the amendments to the Act will also be proclaimed ***in phases*** (each phase comprising sections of the Act covered by the particular phase of new Regulations).

The province has published a draft of the **first phase of the new Regulations**. The plain languages summary of the Regulations can be fully reviewed at http://www.ontariocanada.com/registry/showAttachment.do?postingId=23688&attachmentId=34032

You may also review the consolidated version of the Condo Act at www.ontario.ca/laws/statute/98c19

The key topics covered by the First Phase are as follows:

- Information Certificates (to be issued by condominium corporations)
- Notices from corporations to owners and mortgagees
- Required Disclosure by Directors and Director Candidates
- Mandatory Training for Directors
- New Procedures in relation to Meetings
- Some changes to Quorum and Voting
- Voting Requirements for By-laws
- Record-keeping and durations
- Access to records

CMRAO

cao

Did you know that as the new Regulations are coming into force, two regulatory authorities have been put into place in order to support Property Managers, Boards of Directors and Condominium Owners? They are the Condominium Management Regulatory Authority of Ontario (CMRAO) www.cmrao.ca and the Condominium Authority of Ontario (CAO) www.condoauthorityontario.ca

When will all this be put into force? It has not yet been confirmed, but it appears that if all goes as scheduled proclamation will occur on July 1st, 2017.

CCIEO is the place to be for the newest information!

CCIEO will provide updates to its members as they come available. The amendments will be discussed and reviewed during our upcoming Seminars and Directors' Courses. Don't miss out on any of the announcements, updates and publications. Go to the CCIEO Website www.cci-easternontario.ca for our articles, upcoming events and much more!

Amendments to the *Condominium Act:* Phase 1 of The New Regulations

By James Davidson
Davidson Houle Allen LLP Condominium Law

I begin with the following recap: Extensive amendments to the *Condominium Act, 1998* ("the Act") have received Royal Assent, and are now just waiting to be proclaimed in force. But before the amendments can be proclaimed in force, the province must pass new Regulations that will contain additional detail contemplated by the amendments.

To somewhat complicate matters, we're told that the Regulations will be passed in ***phases***; and we're therefore assuming that the amendments to the Act will also be proclaimed ***in phases*** (each phase comprising sections of the Act covered by the particular phase of new Regulations).

The province has now published a draft of the **first phase of the new Regulations**. They can be found at:

www.ontariocanada.com/registry/showAttachment.do?postingId=23688&attachmentId=33910

The province has also published a summary of the draft regulations. The summary can be found at:

www.ontariocanada.com/registry/showAttachment.do?postingId=23688&attachmentId=34032

Before continuing, I should also note that CCI and others are suggesting some revisions (to these draft Regulations), so we may well see some changes (if the Ministry can be persuaded). But for now, I think it makes sense to assume that the new Regulations will be pretty similar to these draft Regulations.

The key topics covered by the First Phase are as follows:

- Notices from corporations to owners and mortgagees
- Required Disclosure by Directors and Director Candidates
- Mandatory Training for Directors
- New Procedures in relation to Meetings
- Quorum and Voting
- Voting Requirements for By-laws
- Record-keeping and durations
- Access to records

From a review of the draft Regulations, the target date for proclamation of this first phase appears to be July 1, 2017. In other words, it appears that the province plans for the first new Regulations, and the related sections of the Act, to come into force on July 1, 2017. Note, however, that many of the new requirements applicable to meetings will only apply to meetings held at least 40 days thereafter. The idea is that the new requirements should only apply to meetings if the entire meeting process – beginning with the preliminary notice – starts after the first phase becomes law.

In summary: The first phase of the amendments will likely come into force on July 1, 2017.

Here are some of the highlights:

Information Certificates (to be issued by condominium corporations)

Condominium corporations will be required to provide certificates to owners, containing specific information set out in the new Regulations.

The draft Regulations describe specific information to be provided by condominium corporations to their owners in the following certificates:

(a) Periodic Information Certificates ("PIC") – to be sent twice per fiscal year with various details related to the corporation including the address for service, insurance, finances, Board of Directors, reserve fund, etc.

(b) Information Certificate Update ("ICU") – to be sent upon certain "triggering" events. These "triggering" events may include changes to the address for service of the Corporation, changes to insurance, Board vacancies, etc.

(c) New Owner Information Certificate ("NOIC") – to be sent to new owners of a condominium unit with the most recent PIC and ICU that was sent to owners.

There is a **proposed exemption** from these requirements for condominiums with less than 25 units. The proposed exemption would allow small condominiums to obtain the consent of **80 percent** of the owners to dispense with these requirements.

A note about insurance deductibles by-laws

According to the draft Regulations, the information to be contained in a PIC must include the following:

> *If an insurance policy obtained and maintained by the corporation in accordance with the Act contains a deductible clause that limits the amount payable by the insurer, a statement that,*
>
> *(i) describes any such deductible clause, including the portion of a loss that would be excluded from coverage,*
>
> *(ii) clearly identifies, for any such deductible clause, the maximum amount that is to be added to the common expenses payable for an owner's unit under section 105 of the Act* ***or as a result of a by-law passed under clause 56 (1) (i) of the Act before the repeal of that clause came into force,*** *and*
>
> *(iii) warns owners of their liability as described in subclause (ii).*

Does this mean that insurance deductibles by-laws – passed before the amendments to the Act come into force – will remain effective? If not, why would there be any need for a condominium corporation to refer to them in the corporation's PICs?

This is unquestionably confusing. But in my view, the amendments to Section 105 of the Act are clear: Insurance deductibles by-laws will no longer be effective after the amendments to Section 105 come into force. But again, why then refer to insurance deductibles by-laws in the PICs? I think there may be two answers:

(a) Insurance deductibles by-laws will of course continue to apply to any insured events that occurred before the amendments come into force. Adjusting those "pre-amendment losses" may take some time; and

(b) The amendments to Section 105 may not be part of the planned First Phase. Therefore, insurance deductibles by-laws may still be effective for some time to come – ie. until Section 105 is ultimately amended.

We're checking with the province to see if we can get some confirmation on this.

Notices from corporations to owners and mortgagees

The Amendments include changes to the provisions respecting notices to owners and mortgagees.

The amended Act contains a new section (46.1) setting out the obligations of owners to give notice to the corporation of **the owner's name and unit** as soon as possible (and in any event not more than 30 days) after becoming an owner. The draft Regulations set out the various methods (generally prescribed statements) by which an owner can provide this information to the corporation. The amended Act also allows an owner to give an **alternative address for service** (different from the owner's unit).

The current Act says that owners can consent to receive notices **electronically**; but the draft Regulations refer to a specific new form by which owners would express this agreement.

The draft Regulations contain similar details in relation to mortgagees who wish to be included on the corporation's record and in relation to mortgagees agreeing to accept communications electronically.

Corporations will be required to maintain a record of names, unit numbers, addresses for service and indications of agreement to accept electronic communications. For existing owners and mortgagees, if the information in the corporation's current record is complete and accurate, the owner / mortgagee will not be required to provide a new notice.

Required Disclosure by Directors and Director Candidates

Directors and Director candidates will be required to disclose certain information about themselves and their families.

Directors and candidates will have new disclosure obligations. The timing and methods of disclosure may vary depending upon when the information is received by the director / candidate and depending upon the election or appointment procedure that is being followed in the particular case. Except as noted below, these obligations do not apply to "pre-turnover" directors. Here's what must be disclosed:

- If the candidate is a ***party to any active legal proceeding to which the condominium corporation is a party,*** this must be disclosed along with a general description of the proceeding.
- If the candidate's / director's ***spouse, child or parent, or spouse's child or parent is a party to any active legal proceeding to which the condominium corporation is a party,*** this must be disclosed along with a general description of the proceeding.
- If the candidate / director has been ***convicted of an offence under the Condominium Act or Regulations in the past 10 years,*** this must be disclosed. [This disclosure obligation also applies to pre-turnover directors.]
- If the candidate / director has an ***interest in a contract or transaction (other than as a purchaser, mortgagee or owner/occu-***

pier of a unit) to which the condominium corporation is also a party, or to which the developer (or a developer affiliate) is also a party, this must be disclosed along with certain details of the contract or transaction.

- If the candidate is a unit owner and his or her common expenses are in ***arrears for sixty days or more,*** this must be disclosed.
- Any additional disclosure obligations ***set out in the corporation's by-laws.*** [Such disclosure obligations can also apply to pre-turnover directors.]

Mandatory Training for Directors

One of the key changes is the introduction of mandatory training for Directors.

We know from Section 29 of the Amended Act that there will be mandatory training for condominium directors. The draft new Regulations don't tell us what the required training will be – only that the training will be designated by the Minister or by the new Condominium Authority (once created). However, the draft Regulations do say that:

- The ***cost*** of the training is to be ***covered by the condominium corporation.***
- The required training will ***not apply prior to turnover.***
- The required training will ***only apply to directors elected or appointed after the new training requirements come into force.*** [In my view, being "elected" would include being "re-elected".]
- New directors will have ***six months*** (following their election or appointment) to complete the required training.
- The training will be ***good for seven years.*** Thereafter, a director would have to "re-take" the training if he or she is again elected or appointed to the Board.
- The Condominium Authority will keep ***records of the persons who have completed the training.*** A condominium corporation will have the right to see those records respecting the corporation's own directors.
- A director who completes the training will also be required to send ***evidence of such to his or her condominium corporation(s).***

New Procedures in relation to Meetings

There will be some significant changes in relation to Board Meetings and Meetings of the Owners. For meetings of owners, the key change is the new requirement for delivery of a preliminary notice.

Owners' Meetings:

The amended Act and the draft Regulations require that corporations deliver a **preliminary notice of meeting** at least twenty days prior to the notice of meeting. The draft Regulations provide a detailed list of what must be contained in a preliminary notice, and they also refer to a **prescribed form for preliminary notices.** Some of the key items to be included in a preliminary notice are:

- A statement of the purpose of the preliminary notice.
- A statement of the purpose of the meeting, including any proposed changes to the Declaration, By-laws, Rules or Agreements to be discussed at the meeting.
- The projected date of the meeting.
- A statement respecting the additional material from owners that may be included in the notice of meeting (and the circumstances by which that material can be included in the notice of meeting – ie. by way of a submission from owners who own 15% of the units).
- Details respecting elections to be held at the meeting, and respecting steps to be taken by candidates for election (in order to be included in the notice of meeting).
- Details respecting removal or appointment of an auditor (if included in the meeting business), and steps by which an owner can propose someone for auditor (ie. for the proposal to be included in the Notice of Meeting).
- Details respecting a proposed change to the common elements (if the meeting is being called as a result of a requisition under Section 97 of the Act to consider a proposed change to the common elements).
- Details respecting any proposed amalgamation to be considered at the meeting.

Note, however, that the Regulations say that the requirement for a preliminary notice does not apply if the purpose of the meeting is to fill vacancies on the Board when the Board is without a quorum.

Note that this requirement for a preliminary notice of meeting **will also apply to requisitioned meetings.** So, for a requisitioned meeting, the timing will be as follows:

- The Requisition is received;
- Within 10 days of receipt of the requisition, the Board must respond to the requisitionists (as to whether or not the Board will call the meeting). [If the Board's response expresses concern about the calling of the requisitioned meeting, this may prompt further dialogue between the Board and the requisitionists.]
- Assuming the meeting request is proper, the Board must then call and hold the meeting within 40 days after the above-noted 10-day response period.
- This gives the Board five days (following the 10-day response period) to prepare and deliver the preliminary notice of meeting.

We're also told that the changes to Section 46 of the Act (respecting requisitions) **won't be included in the first phase of the amendments.** So, the current 35-day period to call and hold a requisitioned meeting will continue to apply (for some period of time). Therefore, during this "transition period" the draft Regulations say that the preliminary notice – for a requisitioned meeting – must be sent 15 (not 20) days before the actual notice of meeting (giving the Board five days following receipt of a requisition to prepare and deliver the preliminary notice!).

The Regulations also contain a detailed list of what must be contained in the actual Notice of Meeting (including a meeting called to fill vacancies where there is no quorum on the Board); and again refers to prescribed forms for such notices.

Board meetings:

Boards will be entitled to hold Board Meetings by **teleconference or other method of concurrent communication** (without any requirement for a by-law to authorize this).

Quorum and Voting

For many meetings of owners, the quorum requirement will be reduced (after two unsuccessful attempts).
There will be a prescribed proxy form.
Owners will in many cases be entitled to a secret vote.

Under the proposed Regulations, quorum for the ***third attempt*** to hold a meeting will be reduced to 15% for the following types of meetings:

- **AGMs**
- **Turnover Meetings**
- **Any meeting to appoint a new Auditor**
- **Any meeting to elect Directors**

Condominiums will also be deemed to have a standard by-law provision stating that owners voting by ballot, by proxy or by telephonic or electronic means must always be permitted to vote **secretly** – without revealing their names or unit numbers. (It will only be possible to amend this standard by-law provision after turnover.)

There will also be a mandatory proxy form (which has not yet been included in the Regulations).

Voting Requirements for By-laws

For some types of by-laws, the required voting approval will be less onerous.

For some new types of by-laws, there will be a lower voting approval requirement. These new types of by-laws can be approved by a **confirming vote from the owners of a majority of units present or represented by proxy at a meeting of owners.** This applies to by-laws:

1. To add information to be included in a periodic information certificate, an information certificate update or a new owner information certificate.
2. To specify more frequent time periods for sending a periodic information certificate.
3. To specify additional disclosure obligations under subsection 29 (1) (f) and 29 (2) (f) of the *Condominium Act*, and any related time periods for those additional obligations.
4. To govern the manner in which required information is presented at a meeting of owners, and identifying additional material to place before the owners at the meeting.
5. To govern the manner in which an individual may notify the board under clause 45.1 (1) (a) of the act, and the manner in which an owner may provide material to the board under clause 45.1 (1) (b) of the act.
6. To govern additional materials that are to be included in a preliminary notice or notice of meeting sent by the condominium corporation.
7. To specify the method of electronic communication the condominium corporation can use in relation to communication by the corporation under the *Condominium Act* and the accompanying regulations.
8. To govern the manner in which an owner may be present at a meeting of owners or represented by proxy.
9. To allow for voting by telephonic or electronic means under s. 52(1)(b)(iii) of the *Condominium Act*.
10. To specify additional records that must be maintained and to increase required retention periods.

Record-Keeping and Durations

Section 55 of the amended Act specifically says that condominiums may retain records either in paper or electronic format. The draft Regulations contain additional detail about how records are to be kept using either method.

Regardless of the format, the draft Regulations establish the following minimum retention periods for condominium records:

(a) An unlimited retention period for fundamental corporation documents (all of which are specifically listed in the draft Regulations).

(b) A 7-year retention period for most financial and operating records (which are again specifically listed in the draft Regulations);

(c) A 90-day retention period for proxies, ballots and recorded votes from meetings of owners.

In summary: The draft Regulations specifically list the retention periods applicable to most of the corporation's records.

For any other records not specifically mentioned in the Regulations, the records must be kept for whatever period the Board deems necessary in order to fulfill the corporation's objects and duties.

The corporation can, of course, retain a record for a longer period of time, if desired; and **must** retain relevant records in the event of contemplated or actual litigation, or where there is an outstanding request for records when the minimum retention period draws to an end.

Access to Records

There will be a new, detailed protocol for owners to gain access to corporate records; and for payment of related costs to the corporation.

The amendments to the Act and the draft Regulations establish an entirely new framework for accessing the corporation's records.

The draft Regulations confirm that **owners, purchasers and mortgagees** (or their agents) have the right to request records from condominiums. While a requester is required to declare that the request for records is "solely related to their interest as an owner, a purchaser or a mortgagee of a unit", **they are otherwise not required to state the reason for the request.**

There are four main steps for accessing records, summarized as follows:

(a) **Step 1: The Request**
- The request must be made on a standardized form (to be established by the Ministry), and it must identify the records requested and indicate preferred method of delivery (email, hard copy, or examination in person).

(b) **Step 2: The Board's Response**
- Within 15 days of receipt of the request, the Board must respond on a standardized form (also to be established by the Ministry), with an itemized estimate of the associated costs (if any), and identifying records that will **not** be disclosed, with an explanation.

(c) **Step 3: The Requester's Response**
- The requester responds to the Board, confirming which records he/she wishes to have, and including payment of the estimated cost.

(d) **Step 4: Access and Accounting**
- The Corporation delivers or provides access to the records requested (and paid for) by the requester.
- If the actual costs are more than estimated, the requester must pay the difference – but the difference cannot be greater than 10% of the estimate; if the actual costs are less than estimated, the Corporation must reimburse the requester for the difference.

The regulations distinguish between "core" records (which are defined in the regulations, and are essentially the basic records of the

condominium) and "non-core" records, for purposes of establishing the applicable timing for completion of the above-noted steps and for the related costs.

In general, **core documents** must be made available on an expedited basis at a reduced cost. The timing and delivery of core documents can be summarized as follows:

- If core records are requested in electronic format, they must be delivered either in electronic format or in paper form (at no charge) within 15 days of receipt of the request (i.e. within 15 days of Step 1); in other words, they would be delivered along with the Board's response in Step 2.

- If core records are requested in paper format, they must be made available for delivery/pick up within 7 days of the Corporation receiving the requester's response and payment in Step 3. The estimated cost must be limited to copying charges, at no more $0.20 per page.

- If the requester makes a request to examine records in person, the records must be made available for examination within 7 days of the Corporation receiving the requester's response and payment in Step 3. But in this case, the estimated cost can also include reasonable labour cost *during the examination.*

For **non-core** records, the same four steps apply, but with different time periods and potentially different costs. **Non-core** records must be delivered or made available for access within 30 days of receiving the requester's response and payment in Step 3. In the case of non-core records, the estimated costs can include photocopying charges for paper copies (at no more than $0.20 per page), and reasonable labour costs for the board to redact the record and to otherwise respond to the request. [Some information in the corporation's non-core records is not available to be seen by owners. The draft Regulations include some additional detail about this "private" information.]

The draft Regulations also say that a request will be deemed to be abandoned in certain circumstances.

If a condominium, without reasonable excuse, does not permit a requester to examine or obtain copies of records, the condominium may be subject to a penalty of up to $5,000.00. This is a significant increase over the $500 penalty available under the current Act.

Similar to the current Act, an owner may enforce payment of the penalty through the Small Claims Court. The contemplated amendments to the Act also specifically confirm that the Small Claims Court has the jurisdiction to order production of documents where appropriate.

Conclusion

My concluding note is as follows: There are many changes coming; and there will be lots more work to do, at least until we're all comfortable with the new procedures. ■

James (Jim) Davidson is a partner at Nelligan O'Brien Payne, and has been a member of the firm's Condominium Law Practice Group for over 30 years. He represents condominium corporations, their directors, owners, and insurers throughout Eastern Ontario. His practice also includes building deficiencies. Jim is much sought after in the condominium community, and has been invited by many prominent organizations to speak about condominium law. In 2013, Jim was proud to receive the 'Ron Danks National Volunteer Leadership Award', which was awarded by the Canadian Condominium Institute (CCI) National Chapter, for his long-time work on CCI's quarterly publication 'Condo Cases Across Canada'. More recently, Jim was appointed to the Awards Selection Committee of ACMO (Association of Condominium Managers of Ontario) for 2016.

We are pleased to present the latest issue of the CCI National News (Fall Edition) for you to enjoy. The edition can be found in both print and web editions in PDF HERE.

What Will Licensing of Condo Managers Look Like in Ontario?

By Rod Escayola
Gowlings WLG

Introduction

When Bill 106 (the legislation aimed at protecting condominium owners in Ontario) received Royal Assent on December 3, 2015, it set out to amend the existing *Condominium Act* but, as importantly, it also laid out a new licensing regime for condo managers. A year later, on December 17, 2016, the Province circulated its first set of proposed regulations to be adopted under the new *Condominium Management Services Act*. This regulation is still in draft form. Still, we are now getting a far clearer picture of the licensing process and licensing requirements of condo managers in Ontario.

MANDATORY LICENSING OF CONDO MANAGERS

Until now, property managers were not required to be licensed to provide their services. This will radically change once the legislation comes into force. When this happens (on a day to be set by the Lieutenant Governor), the new legislation will prohibit anyone from providing condominium management services unless they are licensed either as a Condominium Manager (for individuals) or as a Condominium Manager Provider (for a management "company").

Someone who is not licensed as a condo manager (or as a condo manager provider) will not be authorized to directly or indirectly hold himself/herself out to be one and they will not be authorized to perform any of the functions of a condo manager. The prohibition against unlicensed individuals providing condo management services goes further. An unlicensed person will not be authorized to take any legal actions to claim any form of remuneration for condo management services. Basically, if you provide condo management services while unauthorized to do so, be prepared to have to do it for free… you may not be able to enforce the compensation clauses of the management contract if you are not licensed.

What are "Condo Management Services"?

To fully understand who this new licensing will apply to, we must first understand what is included in "condominium management services", for which a licence is required. These services will include any of the following services provided to or on behalf of a condominium corporation:

1. Collecting or holding contributions to the common expenses or other amounts levied by, or payable to, a condo corporation;
2. Exercising delegated powers and duties of the corporation or its board of directors, including:
   - Making payments to third parties on behalf of the condo corporation;
   - Negotiating or entering into contracts on behalf of the condo corporation; and,
   - Supervising employees or contractors hired or engaged by the condo corporation.

Once the new regulations come into force, you will require a license to provide any of these services, unless you are exempt from licensing. More on who will be exempt further below.

There will be three kinds of licenses

The regulations presently contemplates three different types of licences:

1. The **General Licence**;
2. The **Limited Licence** (which will require some of the work to be done under the supervision of a supervising licensee);

3. The **Transitional General Licence** (which is set to assist in the implementation of the new licensing regime. These time-limited transitional general licences will be afforded to individuals with at least two years of demonstrable condo management experience and who are providing such services when the Act comes into force).

Let's unpack the specific distinctions and requirements of each of these licences.

THE LIMITED LICENCE

The purpose of a limited licence is to allow new condo managers to enter into the profession. In a nutshell, the limited licence will require that new condo managers work under the supervision of a supervising licensee for a period of at least 2 years before being able to apply for a general licence.

Limited licensees will only have 5 years to meet the requirements of a general licence as the limited licence will not be renewable beyond this period (unless not to allow a renewal would cause undue hardship to the licensee).

Limits of What a Limited Licensee Can Do

During the period of supervision, the condo manager under a limited licence will have to work within the following restrictions:

- The limited licensee will **not be allowed to enter into a contract or other agreement** on behalf of a condominium corporation without obtaining the prior approval of the supervising licensee;
- The limited licensee will not be allowed to manage, control or disburse monies from the corporation's **general fund** *without prior approval of the supervising licensee*;
- The limited licensee will not be allowed to sign a **Status Certificate** on behalf of a condominium corporation; and,
- The limited licensee will not be allowed to manage, control or disburse from the **reserve fund account**. This fund will be entirely out of reach of the limited licensee.

Who Can Apply For a Limited Licence?

In order to apply for a limited licence, the applicant will have to have successfully completed the educational and examination requirements. Unfortunately, the exact nature and extent of these requirements are not yet known but we know that the Registrar will be able to recognize prior programs of study, training, internship, courses as well as prior successful completion of examinations and tests or prior work experience.

Automatic Limited Licences

An automatically limited licence will be deemed to be granted to anyone who, at the time this legislation comes into force:

- has acquired **2 years or less** of demonstrable condo management experience; and,
- who was employed as a condo manager or was providing such services in the 3 months immediately before the coming into force of this law.

This deemed limited licence will continue to exist for a period of 150 days to give the manager sufficient time to apply for a limited licence (or a general licence if they meet the requirements). The Registrar may extend this 150-day period if not doing so would result in undue hardship to the applicant.

THE GENERAL LICENCE

In a nutshell, the general licence will be granted to condo managers who:

1. Have a limited condo manager licence (We have covered the limited licence above. In the future, these will be opened to managers will less than 5 years of experience);
2. Have successfully completed the educational and examination requirements. These have not been precisely fleshed out yet, but keep reading this article as you will see equivalencies and grandfathering provisions; and,
3. Have at least 2 years of condo management work experience under the supervision of a supervising licensee.

The required experience must include the following:

- Having planned and participated in meetings of the board of directors of a condo corporation;
- Having planned and participated in meetings of owners, including at least one AGM;
- Having participated in preparing a budget presented to the board of directors of a condo corporation;
- Having interpreted financial statements for a condominium corporation and having presented them to the board of directors;
- Having prepared and presented reports to the board of directors of a condo corporation; and
- Having overseen maintenance or repairs of units, common elements or corporation's assets.

Who Will be Grandfathered?

Condo managers will be exempt from these prerequisite requirements if, immediately before this new legislation comes into force:

1. The manager is a member in good standing of the **Association of Condo Managers of Ontario** as a Registered Condominium Manager; **or,**
2. The manager has successfully completed all of the following courses developed by ACMO:
   - Condominium Law;
   - Physical Building Management;
   - Financial Planning for Condominium Managers, and,
   - Condominium Administration and Human Relations.

In the future, someone who has held a general condo manager licence will be able to return to the profession without having to go through the limited licensing process if less than 2 years have passed since they held their general licence. This is to allow general licensees who have left the profession for less than 2 years to return to it.

Automatic Transitional General Licences

Existing managers will automatically get a **Transitional General Licence** if, at the time this legislation comes into force, they:

- has acquired more than 2 years of condo management experience (within a period of five years), and
- are employed as a condo managers and are providing condo management service to a client (or who was in the 3 months preceding the day the legislation came into force)

This transitional licence will continue to exist for at least 150 days. This period of transition will allow existing experienced condo managers to continue to act in this capacity while they apply to get the required licence under the new legislation.

The Registrar will be able to extend the transitional period if he is of the view that not doing so would cause undue hardship to the applicant. Otherwise, the transitional licence will expire. A condo manager will not be able to be on a transitional general licence for more than 3 years.

WHO IS EXEMPT FROM MANDATORY LICENSING?

While Ontario is imposing a strict licensing regime to anyone providing condo management services, there are exceptions under this new legislation. Indeed, under the proposed regulation, the following people will not be required to hold a licence:

- **Lawyers, architects, accountants, engineers** and **insurance brokers** authorized to offer these professional services and who are, indeed, providing such services;
- A **Reserve Fund Study provider** who is providing such a study;
- A **bank, credit union** *or* **caisse populaire;**
- A **receiver** appointed under the *Courts of Justice Act;*
- An **inspector** or **administrator** appointed under the *Condominium Act*;
- A **security guard** who is supervising an employee or contractor hired by the corporation or who is collecting/holding contribution to the common expenses provided that they promptly deliver the money to the corporation or to a licensed Condo Manager for the corporation;
- An **employee** of a licensed Condo Management Provider or of a condominium corporation who collects/holds contribution to common expenses, if the authority to collect and hold these contributions have been delegated to him/her in writing and if, promptly after receiving these monies, the individual delivers them to the corporation or to a licensed condo manager for the corporation.
- A person exclusively providing repair or maintenance services, including landscaping services and cleaning services. This class refers to, amongst others, **superintendents**, concierges, custodians, etc.
- These individuals will not have to be licensed under the *Condominium Management Services Act* even if some of the services they render may otherwise fall under the definition of "Condominium management services".

There are two additional very important exceptions to mandatory licensing: condo directors and self-managed corporations.

Condo Directors

Condominium directors, whether elected by the owners or appointed by the board to fill a vacancy, will not be required to be licensed, even if this person receives compensation for his/her work as a director pursuant to a by-law adopted by the corporation. However, it is important to note that any director who is providing condo management services in exchange for compensation or reward (or with the expectation of same) will be required to be licensed. At first glance, there may seem to be a contradiction in what I just stated. But stated otherwise, any director (paid or not) does not require to be licensed provided that they are not providing paid condo management services. The minute they do, they require a licence. It is therefore important, if you are a paid director to familiarize yourself with what constitutes condo management services to ensure you do not fall within the category of services requiring a licence.

Self-Managed condominium corporations

Similarly, self-managed condominium corporations will not be required to be licensed provided that the individuals managing the corporation do not receive compensation or rewards (and do not have any expectation of same). Basically, if you are paid or rewarded to manage the corporation, you need a license.

Conclusion

"Changes are coming", as they say. Mandatory licensing will undoubtedly bring more credibility and reliability to those managers who are already working very hard and diligently. It will also certainly raise the bar for all the other ones. All in all, this will benefit countless community across the province.

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THE BRITISH COLUMBIA EXPERIENCE WITH LICENSING CONDOMINIUM PROPERTY MANAGERS

By Sean Cornish
Apollo Property Management

It is hard to believe that it has been more than 11 years since the Government of British Columbia introduced licensing for Strata (Condominium Property) Managers and Strata Management Companies in B.C. I was working as a Strata Manager in B.C. at that time, and have dealt with implementation of provincial licensing first hand. Previously, Rental Property Managers and Realtors were licensed but there were no restrictions on who could call themselves a Strata Manager.

By December 31, 2005 there were over one million individual residential strata units within 30,000 strata corporations in B.C. Almost 70% of these strata corporations were managed by paid property managers. On January 1, 2006, the vast majority of these property managers now had to be licensed under the B.C. *Real Estate Services Act (RESA)* as did the management companies they worked for. There were some exemptions such as owners providing strata management services to a strata corporation in which they own a strata lot.

The impetus for licensing was understandable as, until then, anyone with a pulse could call themselves a Strata Manager. The industry suffered from the commodification of property management with the resultant race to the bottom on management fees which inevitably contributed to declining standards of service.

Licensing was introduced to great fanfare for strata owners as a way to ensure a minimum standard of qualifications and provide some confidence that those entrusted with hundreds of millions of dollars in strata corporation funds would not abscond with them

What does it mean to be a licensed Strata Manager?

The Real Estate Council of British Columbia (RECBC) is responsible for the licensing, education and discipline of real estate service providers, including strata managers and strata management companies (brokerages), under the authority of the *RESA* and the associated rules.

Under the *RESA*, a strata property management company must be a licensed brokerage. The brokerage providing strata property management services can be a company, partnership or sole proprietorship.

Every company must have a managing broker who is responsible for the activities of the company and who supervises individual strata managers and other employees.

A Strata Manager provides services to the strata corporation on behalf of the brokerage (i.e. the strata management company). In addition to licensed Strata Managers, the company may also have other employees such as clerks, accountants or other staff providing services to the strata corporation.

During the initial transition period, existing Strata Managers could be licensed if they successfully passed an exam. Following this transition period, all new Strata Managers had to enroll in the full Strata Management Licensing Course offered by the University of British Columbia, Sauder School of Business (Real Estate Division).

The course is flexible, allowing a candidate to register at any time and to complete the course at their pace within one year of registration. Most candidates complete the required assignments within six months of registration following which they must obtain a minimum of 70% on an exam. In addition, Strata Managers must pass a criminal record check and meet the language proficiency requirement.

Besides the time commitment, there is also a financial cost to the process:

- *$1,150 Strata Management Licensing Course fee*
- *$109 Language Proficiency Index examination (if required)*
- *Criminal record check – costs vary depending on police agency*
- *$1,660 Licensing fee (includes 2-year licensing fee, Errors & Omissions Insurance and Compensation Fund Corporation assessment)*

A license is valid for a two year period during which the Strata Manager must also complete a course as part of the Relicensing Education Program (REP).

There are currently about 1,291 licensed Strata Managers and 275 brokerages providing strata property management services in B.C. A 2016 article in *Business in Vancouver* suggests the industry needs another 200 to 400 Strata Managers to meet the needs of the strata corporations.

While the *Strata Property Act* governs the actions of the Strata Corporation and Strata Council, the Strata Manager is governed by the *Real Estate Services Act* and the Rules. The Rules will address the general responsibilities of strata managers and strata management companies, advertising, relationships with their clients, disclosure requirements, accounting and financial requirements, and record keeping.

Strata Managers have a general duty to act honestly and with reasonable care and skill when providing strata management services. The rules also establish that the strata management company and its Strata Managers have a duty to:

- *act in the best interest of the strata corporation;*
- *act in accordance with the lawful instructions of the strata corporation;*
- *act only within the scope of the authority given by the strata corporation;*
- *advise the strata corporation to seek independent professional advice on matters outside the expertise of the strata management company;*
- *maintain the confidentiality of information respecting the strata corporation;*
- *disclose to the strata corporation all material information respecting the company's strata management services and the strata property itself;*
- *take reasonable steps to avoid any conflict of interest; and*
- *if a conflict of interest does exist, promptly and fully disclose the conflict to the strata corporation.*

RECBC enforces entry qualifications, investigates complaints against licensees for possible contraventions of the *RESA* and the Council Rules and imposes disciplinary sanctions under the *RESA*. Disciplinary actions are posted by RECBC.

As a general policy, RECBC requires complaints regarding licensed Strata Managers, or the strata management company, to be submitted by strata councils – not by individual strata lot owners or residents. The complaint from the strata council needs to be accompanied by a copy of the minutes of the council meeting that confirms the passing of a motion to submit a complaint to RECBC. This provision serves to avoid some of the more spurious complaints from reaching the RECBC.

Nevertheless, in situations involving significant financial concerns, individual strata lot owners or residents can complain directly to RECBC. For example if there are allegations of fraud or misappropriation of funds by the Strata Manager or the strata management company.

The RECBC publishes all Disciplinary Decisions on its websites and through its bi-monthly bulletins

Interestingly one of the biggest scandals involving a brokerage occurred barely one year after licensing came into force. In early 2007, the REC announced that it had suspended the real estate licenses of SwiftSure Strata Services Inc., the Brokerage, and the Managing Broker. The brokerage license was suspended due to their failure to properly account for trust monies it was holding on behalf of strata clients. Without the strict annual reporting requirements under licensing, these issue may not have been found for years.

As licensees, we would regularly review the bi-monthly newsletters from the RECBC which contained informative articles but more importantly list recent disciplinary decisions. Each month we would review the list of decisions to see who had been disciplined and for what.

What we learned was that the disciplinary decisions could be meted out for a wide variety of infractions, some that would otherwise be considered minor and others that were undoubtedly major. A small selection of contraventions follows:

- *The licensee contravened section 3-4 of the Council Rules in that he failed to act with reasonable care and skill by drafting a bylaw for the*

Strata requiring potential tenant(s) of a rental request to be subject to a screening requirement, when such a bylaw was contrary to provisions set out in the Strata Property Act.

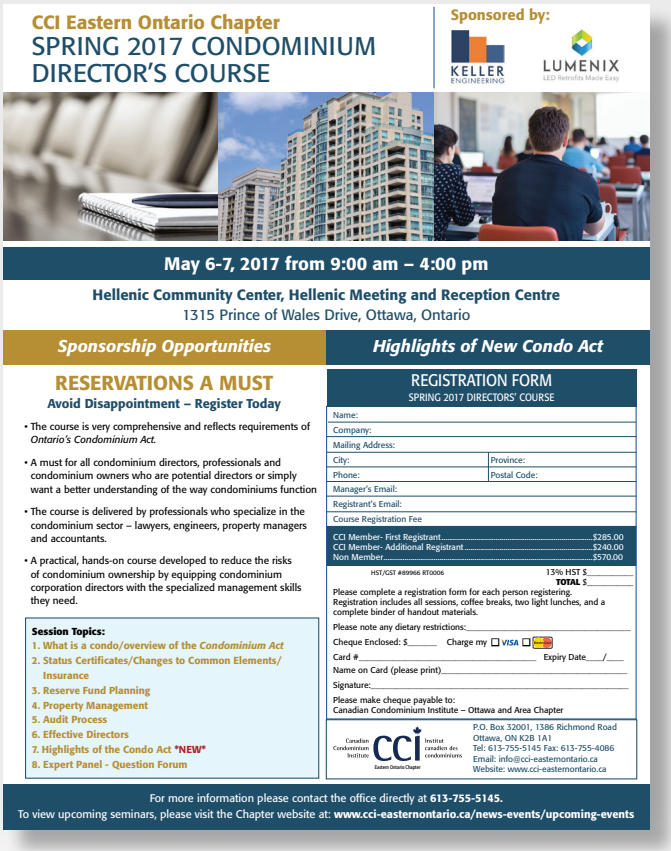
- *The licensee failed to distribute the financial records and the minutes for the Strata's Annual General Meeting in a timely manner and, failed to respond promptly or at all, to numerous email and telephone requests sent to him by the Strata.*
- *The licensee failed to transfer Contingency Reserve Funds (CRF) within seven days after the end of the month in which the CRF money was received, contrary to section 7-9 of the Council Rules;*
- *The licensee failed to act in the best interests of the strata and to act with reasonable care and skill. He failed to advise the strata to obtain or ensure a contractor obtained building permits required for a project underway at the strata. He failed to advise the strata to ensure the contractor had valid and subsisting WorkSafe BC and insurance coverage for the duration of the project. These actions were contrary to sections 3-3(a) and 3-4 of the Council Rules.*
- *The licensee paid strata corporation expenses from his personal Visa account and reimbursed himself from the strata account fund. These actions were outside his scope of authority and were committed without written authorization from the strata council, contravening section 3-3(c) of the Council Rules.*

Penalties tend to range from fines plus the cost of enforcement and remedial courses to license suspension or revocation. In December 2016 a managing broker was fined $10,000 which is the highest fine enforced since licensing began in B.C.

Overall, it seems clear that strata corporations and their funds are better protected than before licensing came into force; however, many would argue there is still room for improvement. ■

Sean Cornish is the Director of Condominium Management and General Operations Manager for Apollo Property Management in Ottawa. Prior to arriving in Ottawa in 2013, Sean was a strata agent, Regional Director and Vice-President of a top strata management company on the west coast for ten years.

CCI Eastern Ontario Chapter Courses



How Will Legislative Change Impact Alternative Dispute Resolution?

By Marc Bhalla,
Hons.B.A., C.Med
Elia Associates

When the *Condominium Act*, 1998 (the "Act") was put together back in the late 1990s[1], it was recognized even then that mediation was a logical fit for addressing condominium conflict. Mediation provided a vehicle and opportunity for those involved in a conflict to work together and themselves try to find an agreeable outcome; thereby also investing in the relationship element of community disputes, allowing for some creativity and offering more sustainable resolutions as opposed to an outcome imposed by a third party who may – or may not - have any understanding of the practical reality of condominium life.

Hence, Section 132 of the Act prescribed mediation as the appropriate medication for issues involving an alleged breach of a condominium's governing documents, shared facilities, a condominium and its declarant, a condominium and its property manager or an agreement between condominium and a unit owner surrounding an addition, alteration or improvement to the common elements and arbitration should mediation not serve to adequately address such a matter. While the types of issues cited are not the only types of condominium conflict that have found their way to mediation over the years, the legislation intended to make mediation mandatory in those scenarios.

The Problem? The Act Stopped Short…

The issue with the implementation of the Act in respect of mediation is that it stopped short. Section 132 set out what types of issues should be mediated but nowhere was any form of guidance provided in terms of how impacted parties should go about mediating. Mediation was mandated with little thought as to how it would play out. This has resulted in the unfortunate reality of parties in conflict having to first agree to a mediation procedure to move forward. Similar challenges exist with arbitration.

As emerging ill will between people engaged in conflict can stand in the way of the initial consensus required in this landscape to proceed with mediation, some condominiums passed by-laws outlining how mediation (and arbitration) should work. Unfortunately, this type of guidance being provided on an individual, if applicable basis, raises obstacles. Even some mediators may not think to ask if such a by-law is in place. It would be much better for everyone to have a consistent process, applicable province-wide as, clearly, it would be easier to spread awareness about something that is consistent to all Ontario condominium communities over something that can vary from community to community.

Before the courts stepped in with a string of decisions over recent years that included taking a look at the path that brought parties to the court room and increasingly penalizing by way of cost recovery if a conciliatory approach was not attempted – even when mediation was not mandatory – the additional hurdle presented by a lack of a consistent, province-wide mediation process was the glaring loophole available to those who simply did not want to mediate. While mediation is, at its best, a flexible process that takes place with willing participants at the table, a lack of direction surrounding it makes it too easy for the mediation opportunity to be neglected, manipulated or overlooked.

The Hope of a Fix with Legislative Change

There is hope that further Regulations to be released in respect of *Bill 106, Protecting Condominium Owners Act, 2015* ("Bill 106") will provide the much needed guidelines to set out how to go about mediating, including the provision of standardized forms to be used to propose mediation and, ideally, guidance as to how to determine who is actually qualified to facilitate condominium mediation (such as by way of an official designation of the ADR Institute of Canada and actual condominium education)[2]. While we cannot be sure just yet as to how far it will go, the introduction of any guidance will help improve conflict management for Ontario's condominiums and better allow all to seize the opportunities Alternative Dispute Resolution ("ADR") offers over the cost, time and stress involved in going to court.

The Promise of Early Education

Last year, British Columbia launched the Civil Resolution Tribunal, Canada's first ever online tribunal. This launch came after much testing and fine tuning of a system aimed at aiding the province's condos (known as "stratas" out west). While the tribunal aimed to provide greater access to justice, including by rendering decisions to address certain types of disputes, perhaps its greatest value came via the system's Solutions Explorer.

Delivering upon response to a 2015 survey that revealed 94% of British Columbians wanted to have a say in shaping their resolution, 87% wanted a "do it yourself" system and 81% would use an online civil justice process that was user-friendly and available 24/7[3], the Solutions Explorer offers anyone in British Columbia encountering an condo issue instant and easy access to information. One can simply visit the website, work through an interactive survey and gain access to key information surrounding the subject matter of their concern. The Condominium Authority of Ontario ("CAO") developed via Bill 106 is expected to develop a similar type of system that would assist Ontarians experiencing condo troubles. This represents the potential of streamlined, proactive conflict management for all involved in condominiums in Ontario that would be easily accessible and affordable.

Here is an example of how an online system of this nature could work…

Joe is unhappy with the decisions that his condominium Board has been making and feels like money is being wasted. The Board and

management are slow to reply to his requests for information, which has only served to further frustrate him. On top of this, Joe finds that he rarely makes use of his condominium's amenities and considers it unfair to be expected to continue to contribute. So, he decides to stop paying his common expenses. He figures that will show his Board that he is serious and force them to take his concerns seriously.

As Joe further contemplates what he views to be a genius strategy, he visits Ontario's form of Solutions Explorer to see if others have ever faced a similar circumstance. Answering a series of questions online leads Joe to a page on the site that reviews common expense obligations of unit owners. Here, he learns about the case of *Harvey v. Elgin Condominium Corp. No. 3*, a case where a self-represented unit owner's misguided "homemade" interpretation of the law resulted in a 3 day trial as, amongst other things, Mr. Harvey did not appear to realize that Section 84(3) of the Act does not allow a condominium unit owner to withhold payment of common expenses out of protest. Joe realizes that his plan cannot work, as he is not allowed to hold-back payment of common expenses. However, he also comes across a template letter that he uses to send his Board and property manager a request for Board meeting minutes to allow him to better understand decisions that he felt were resulting in wasted money. The tone of this letter is very different to the tone of what Joe has been sending his Board and management; it explains how Joe is entitled to the information he is now requesting and offers a realistic potential consequence for his condominium corporation should it fail to provide him with the records he has requested within the prescribed timeline to do so.

In this example, Joe is able to collect information and guidance from a neutral, outside source, empowering him with knowledge before he embarked upon a misguided path. The scenario embraces many Alternative Dispute Resolution principles by allowing Joe to be better informed about the reality of the situation that he faces and the options available to him. He is in a better position to consider his alternatives based upon how his Board replies and negotiate accordingly. Joe is able to avoid the long, expensive and stressful court process that Mr. Harvey experienced and position himself to make use of better methods available to address his concerns.

Guidance

While we await the release of Regulations to shed further light on the Condominium Authority Tribunal (the "Tribunal") created under Bill 106, we know now that the Tribunal will be empowered to refer disputes to Alternative Dispute Resolution processes. What this

means is that the Tribunal can be expected to step in to direct matters to the process best suited – "fitting the forum to the fuss".

The Tribunal is also expected to start off with a limited subject area in which it will focus. While it may risk viewing condominium disputes overly simply (i.e. rarely is a mediation about a single issue, but rather several layers of conflict that have escalated over time and repeated unsatisfactory encounters), the concept here is to proactively manage emerging conflict by quickly rendering decisions and establishing precedents to guide others in respect to the types of common questions that arise in the condominium setting. In turn, offering clarity and greater insights to the province's condominium community overall, raising the bar on education and empowering everyone with a better understanding of rights, obligations and the appropriate path to dealing with their issues.

The answer to the question of how, exactly, the legislative changes will impact ADR in Ontario is unclear at this time. While there is hope that further details will be revealed with the next round of draft Regulation releases, all indications are that we can expect Ontario's condominium communities to be better position to benefit from the opportunities ADR provides to allow conflict to be addressed in a faster, cheaper and better matter than through the province's backlogged court system. ■

Marc Bhalla is a leading mediator in Ontario who focuses his practice on condominium conflict management. He holds the Chartered Mediator (C.Med) designation of the ADR Institute of Canada – the most senior designation available to practising mediators in Canada. Marc leads Elia Associates' CONDOMEDIATORS.ca team and manages MarcOnMediation.ca, a site about his semi-annual newsletter.

[1] *First reading of what was Bill 38 was released in May 1996.*

[2] *Currently, there is no ACCI designation available to mediators or other ADR professionals who concentrate their practice on condominium conflict resolution.*

[3] *The results of this 2015 Survey were shared by Shannon Salter, Chair of British Columbia's Civil Resolution Tribunal, in the course of planning and presenting a session that we were involved in at the 2016 ACMO/CCI-T Condominium Conference in Toronto.*

SUCCESSFUL LAUNCH FOR CondoSTRENGTH !

By Constance Hudak BA (Hons), MBA
Vice-President
CCI-Eastern Ontario

Coincident with the 35th Anniversary of the Canadian Condominium Institute, your Chapter presented the first CondoSTRENGTH session in March. Just to refresh your memory CondoSTRENGTH is an initiative which is happening across the country. Local Chapters are presenting FREE seminars for Directors and by Directors to allow Board Directors a forum in which to discuss various topics and to learn from each other's experiences. Whatever is new to any given Board members is not new to another. Someone else has experienced the same challenge or the same success so why not share?

Our session's first gathering featured the topic of "PROPERTY MANAGEMENT" – Small, Medium, and Large. We selected Property Management because virtually all Boards (excluding Self Managed ones) have contractual relationships with a Property Management Firm/Manager. Every Board has had both ups and downs with these relationships and we wanted to focus on what works? Lessons learned! For this and future sessions to be truly successful we insisted on neutrality – no specific names or firms would be cited and discussions were proactive versus complaint driven. Also, if any professionals were in the room as "condominium directors" they were asked to "take off" their professional hats. The focus must be on experiences only – no soliciting.

Now we know that the Board and Property Management relationship is most affected by the Condominium's size. Hence our three Board Presidents spoke about their experiences:

SMALL – Claude Filion spoke to his experiences as President of a small 30 unit low rise where the Board is "hands on" and very community focussed with minimal reliance on property management except for "back office" financial and accounting support.

MEDIUM – Constance Hudak spoke to the relationship at her site which is a 60 plus town home unit. Her presentation covered methodology used to change property management firms from the "developer's choice" to the Board's need with focus on communication of expectations and deliverables.

LARGE – Yves LaRose spoke of his experience as one President of a multi tower complex of three condominiums with extensive shared facilities. In this case, the property management was full time and the relationship and reliance between the condominiums and manager were extensive and deep. However, regardless of size, there are common threads – communication, clear statement of expectation and deliverables, and then performance monitoring.

We knew we had picked a great topic because our first session sold out in 48 hours! We had just under 60 Directors in attendance and extensive discussion back and forth as each speaker presented his/her experiences. Because this was our first session "audience evaluation" is very important. Well, participants told us we are definitely on the right track! They considered the presentation to be of the right length, that it covered the issues very well, and that CCI-EO should continue doing this regularly and often. The most important element of the "audience evaluation" was the support for the "for Directors and by Directors" format – their own forum for discussion and networking. So a big THANK YOU to all who attended and helped organize – STAY TUNED FOR MORE. ■

New Members

WELCOME TO THE FOLLOWING NEW CCI EASTERN ONTARIO CHAPTER MEMBERS

PROFESSIONAL MEMBERS

Johannus (John) Olsthoorn
Laudusk

INDIVIDUAL MEMBER

Sonya Pryce

BUSINESS PARTNERS

Morrison Financial Services Limited

Acousti Tech - Division of Finitec Canada

Video Sentry Inc.

CORPORATE MEMBERS

CCC 136
OCCECC 981
OCSCC 853
CCC 244
OCSCC 962
OCSCC 1002
OCSCC 993
Prescott Standard 23
Prescott Standard 19

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Condominium Management Group

EDUCATION/SOCIAL MEDIA
Michael Lewicki
Michael Lewicki Real Estate Broker

EDUCATION
Richard Elia
Elia Associates

ACMO/CCI-EO 5th Annual Conference

Friday, June 2, 2017 • Ottawa, ON
Conference & Events Centre
200 COVENTRY RD. OTTAWA

REGISTER TODAY!

JOIN US in Ottawa, ON for a one day conference which will include experts from various law firms, management companies and service areas in the condo industry. Timely and relevant issues geared towards condominium property management will be discussed.

PROGRAM AT A GLANCE

8:30 a.m.	Registration
9:00 a.m.	Welcoming Remarks ACMO 40th Anniversary CCI-EO 35th Anniversary
9:30 a.m.	Condo Act Update with Representative from the CAO
10:30 a.m.	Break with Exhibitors
10:50 a.m.	Licensing of Condominium Managers with Representative from the CMRAO
11:50 a.m.	Lunch with Exhibitors
12:50 p.m.	Up Close and Personal with the Professionals
1:50 p.m.	Break with Exhibitors
2:10 p.m.	Legal Panel
3:20 p.m.	Closing Remarks

ACMO/CCI-EO would like to continue to communicate with you regarding future events/seminars. Please indicate below if you would like us to retain your contact information on file (mailing address, email address) to share details with you which pertain to future events/seminars. To ensure compliance with the Canada anti-spam law (effective July 1, 2014), you must confirm whether you would like to receive electronic communications from ACMO/CCI-EO.

❑ YES I would like to receive electronic notifications from ACMO/CCI-EO
❑ NO I would not like to receive electronic notifications from ACMO/CCI-EO

Cost $75 + HST (includes goodies, handouts, lunch and sessions)

Registration Information:

Name(s): _____

Please indicate whether you are a ❑ Manager ❑ Director ❑ Home Owner

Company: _____

Address: _____

Telephone: _____ Email: _____

Payment Information:**

◯ VISA ◯ Mastercard ◯ Cheque (payable to ACMO)

Credit card payments will appear on statements as ACMO

Cardholder name (please print): _____

Card number: _____ Expiry Date: _____ Security Code: _____

Signature: _____

**HST 12382 0417 RT001
**Payment must accompany registration.
**If you have dietary or religious requirements, please let us know 72 hours in advance.

ACMO | 2233 Argentia Rd, Suite 100, Mississauga, ON L5N 2X7
Tel: 905-826-6890 Fax: 905-826-4873 Email: info@acmo.org

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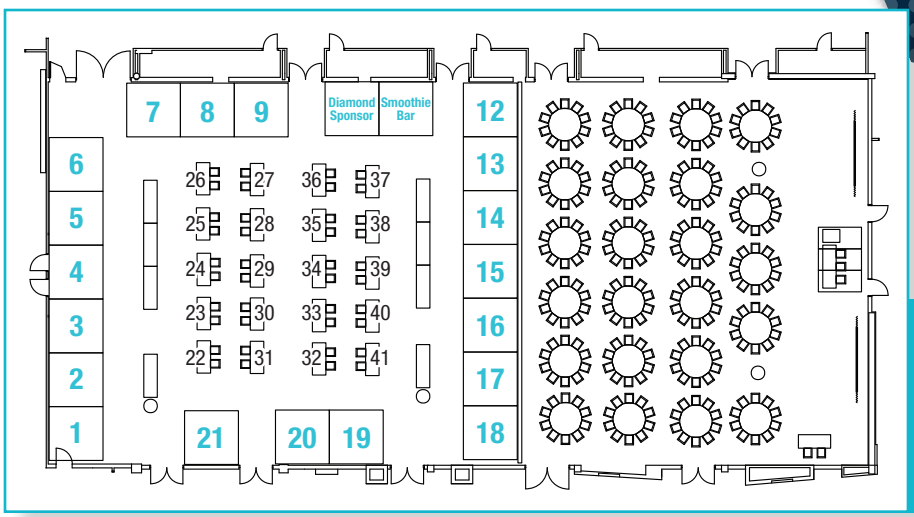
Tabletop Exhibitor Form



LEGEND
Tabletop Exhibit Space
10x10 Space

Please indicate choice of Tabletop Exhibit in order of Priority

Tabletop location compatibility will be at discretion of conference staff

1) _____
2) _____
3) _____

10X10 Exhibit: $400.00 plus HST

Tabletop Exhibit: $300.00 plus HST

Cost includes two representatives to man the exhibit. If required, electrical to be ordered through venue.

Company: _____

Address: _____

Telephone: _____ Email: _____

Type of Product/Service(s) to be displayed: _____

Please list representative's (s') information below:

1. Name: _____ Email: _____

1. Name: _____ Email: _____

Payment Information**:

○ VISA ○ Mastercard ○ Cheque (payable to ACMO)

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Contributing to CCI **CONDO**CONTACT
EDITOR'S CONTACT INFORMATION

A benefit of CCI membership is the opportunity to share perspectives with one another by contributing and reading articles in CCI Eastern Ontario's quarterly newsletter *CondoContact.*

If you are a condominium director, owner or manager, and have a unique tale to tell or advice to relay to other condominium boards, let us know! If you are a professional or represent a trade company offering services or product to condominiums and have relevant articles, let us know!

The subject matter should be current, concise and helpful. Topics should relate to management and operations of condominiums and not be of a commercial nature.

Articles may be forwarded to:
Canadian Condominium Institute
Eastern Ontario Chapter
P.O. Box 32001, 1386 Richmond Road
Ottawa, Ontario, K2B 1A1
Email: info@cci-easternontario.ca

Canadian Condominium Institute CCI Institut canadien des condominiums Eastern Ontario Chapter

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The more fans…the more condominium information that we'll get out there.

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Did your corporation undertake any important projects recently?

Do you have a success story?

Did you learn lessons the hard way?

Whether you are a director or a property manager, please do share these valuable stories. Feel free to contact me and I will assist you in writing your article.

By sharing your experience we learn from the past and improve our collective futures.

Julie Klotz
info@cci-easterontario.ca

Canadian Condominium Institute CCI Institut canadien des condominiums Eastern Ontario Chapter

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Eastern Ontario Chapter

SCHEDULE OF EVENTS
A YEAR AT A GLANCE
2016 17

CCI Eastern Ontario would like to present our upcoming educational seminars/events for 2016-17. Please visit our website for details and registration information at www.cci-easternontario.ca

JANUARY
Lawyers, Guns and Money
January 25

FEBRUARY
Security, More than just locks on doors!
February 22

MARCH
Budgeting – It's your money, are you in the know?
March 29

APRIL
No reservations about Reserve Funds
April 26

MAY
Spring Directors course
May 6-7

Kingston Condo Forum – Meet the experts
May 27

JUNE
ACMO/CCI-EO 5th Annual Conference
June 2

SEPTEMBER
6-9 Night with the Experts
September 27

OCTOBER
AGM plus seminar TBC
October 18

NOVEMBER
Fall Directors course
November 18/19

Evening seminars are FREE for our members. Not yet a member? Sign up today.

Have Something to say?

Join CCI Eastern Ontario on Twitter & LinkedIn to participate in the conversation, remain informed and to gain access to our experts, providers and members.

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Visit our website CCI-EasternOntario.ca to gain access

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