



Condo Law eBulletin

A NEWSLETTER FOR THE CONDO COMMUNITY

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Condominium Act Review- Stage Two Report Released

John De Vellis

On September 24 Canada's Public Policy Forum released the Stage Two Report of the Condo Act Review Process initiated by the Ontario government. In our [July eBulletin](#), we reported on the government's announcement that it would introduce mandatory minimum qualifications for condominium managers. The Stage Two Report includes many other recommendations covering all aspects of condo management. Key among them are as follows:

- **A 'Condo Office' should be set up:** at arm's length from the government, it would fulfill four main functions: education and awareness; dispute settlement; licensing condo managers; and maintaining a condo registry;
- **Consumer Protection:** several reforms are proposed, including smarter disclosure on new condo purchases, prohibiting developers from selling or leasing back assets that should be included in the common elements, and a requirement to include all operating expenses in the first-year budget- i.e. prohibiting expenses from being deferred until the second year;
- **Financial Management:** a requirement to have a budget for the reserve fund in addition to the operating budget, an increase in the minimum threshold to trigger notice to owners of changes to the common elements, improved communication and disclosure of condo corporations' financial data, and greater flexibility for boards to use the reserve fund for alterations and improvements;
- **Dispute Resolution:** the Condo Office would have dispute resolution officers to provide impartial information on the Act, and other condo-related matters; a Quick Decision Maker would be empowered to make quick, summary decisions on certain items. More complex disputes would be referred to a Dispute Resolution Office, also under the Condo Office umbrella.
- **Governance:** there are a number of recommendations dealing with such matters as the elimination of the owner-occupied position, improvement and clarification of the production of corporate records, (s. 55), collection of proxies, rules for requisitioning owners' meetings, and minimum qualifications for condo board members.
- **Condo Management:** a two-stage licensing program should be put in place to ensure that condo managers are properly trained and qualified. A new licensing authority would, under the authority of the Condo Office, would oversee licensing of condo managers.

You can read the full report- with all the recommendations- and the Executive Summary on the Ministry of Consumer Services' [website](#).

The government is accepting [comments](#) on the Stage Two Report until November 8.

Shibley Righton's Armand Conant sits on the Expert Panel- a 12-member panel of experts assembled by the Ontario government- that reviewed the recommendations and the reports of the various working groups looking at changes to the Condominium Act. Armand was also the Chair of the joint ACMO/CCI legislative committee that submitted a detailed brief to the government setting out suggested changes to the Act.

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