

Thursday 17 September 2015 Jeudi 17 septembre 2015

Orders of the Day

Protecting Condominium Owners Act, 2015

Loi de 2015 sur la protection des propriétaires de condominiums

Resuming the debate adjourned on September 16, 2015, on the motion for second reading of the following bill:

Bill 106, An Act to amend the Condominium Act, 1998, to enact the Condominium Management Services Act, 2015 and to amend other Acts with respect to condominiums / Projet de loi 106, Loi modifiant la Loi de 1998 sur les condominiums, édictant la Loi de 2015 sur les services de gestion de condominiums et modifiant d'autres lois en ce qui concerne les condominiums.

The Speaker (Hon. Dave Levac): When we last debated, the member from Trinity–Spadina had time left. The member from Trinity–Spadina.

Mr. Han Dong: Good morning, everyone. I'm very pleased to continue the debate. I'll be sharing my time with the Minister of the Environment and Climate Change.

Continuing what I was saying, this is a good bill. It's a very comprehensive bill. It started off with a good idea, and when we look at it now, it offers very practical solutions. I'm speaking of the dispute resolution process. It was done with wide consultation, a full range of consultation. When a government goes out and listens to people, condo owners, stakeholders and other experts, that's how a good government bill comes together.

I remember last year, Minister Tracy MacCharles, who was the minister responsible for this file, made an announcement about this government planning on putting together a regulatory body for the management. I was there at the announcement, listening to every detail, and I had a chance to chat with the stakeholders. It was very well received because they all felt that it was necessary, that there was a need for it, including those in that industry.

In my short time of having the honour of representing the great riding of Trinity–Spadina, I also held information sessions to talk about the consultation process, to talk about the will of putting together the government's development of this bill. What we've heard in the riding from condo owners and from residents' associations are the same concerns that are captured in this bill.

I want to talk to the registry because I know that if this bill passes it will, for the first time ever, start collecting data from condo boards and have a registry of condo board members. This is a good step forward.

I look forward to more consultation during the development of regulations, as well as in clause-by-clause, and look forward to more discussion on fine-tuning this bill. I think this bill has constructed a very good overall structure, moving forward in the right direction to provide more protections.

In my riding in the summer, I spoke to residents who have great concerns about the current situation, where they, as owners, felt they don't have much say on the board. Now, I remind them to get active and get involved, to be on the board, to keep a constant dialogue with the board and let them know what type of information they are seeking. But I think this bill is going to give more authority, more power to condo owners and bring more transparency to the practice.

The other thing I want to mention is financial management. The proposed act would strengthen the financial management rules for condo corporations to help prevent fraud and mismanagement. Too often we hear cases in our constituencies across the province about possible fraud or mismanagement of funds. For example, it would forbid condo corporations from finalizing some contracts unless they have fulfilled certain procurement process requirements. That is very, very important.

In my riding, there are new condos being built every day. Going forward 10 years from now, 20 years from now, elements of nature will deteriorate the structure of these buildings, and they have to be kept in shape to make sure they're safe to live in and safe for the surrounding neighbourhood. So it's inevitable that the board will have to make procurement decisions, and we want to make sure, with this opportunity, that these decisions are made in an accountable and transparent way to the owners.

Lastly, I want to remind the House that with condo dwellers—a lot of them in urban settings—there comes a need for the attention of this House, actually, and a shift of resources as well. We know that transit is a big concern. We know that social services—I mean like recreation, day care—are a big concern. These services have to be in place to serve these newly founded communities.

People often don't realize they need a comprehensive consumer protection bill when they actually enter a dispute. I commend the government, Minister Tracy MacCharles and Minister David Oraziotti for putting so much time into this bill—wide consultation—to put together this fantastic, comprehensive bill.

The Deputy Speaker (Mr. Bas Balkissoon): The Minister of the Environment and Climate Change.

Hon. Glen R. Murray: The member for Trinity–Spadina and I jokingly refer to our constituencies as vertical constituencies. I think that between the two of us right now, we have 81 towers that are in some stage of construction. As you know, right now we have a federal election on, and our two ridings are now three. The major reason for that is this explosion of condos. I've only been in this House for about five years. In those five years, I think I've added somewhere between 30,000 and 40,000 new constituents. I mean, that's a small city that has been added. So the government is acting with some urgency on this, because the more condos you build, the faster you build them—

Interjections.

Hon. Glen R. Murray: I have the rapt attention of my colleagues, Mr. Speaker. It's so wonderfully affirming to be on such a—

Hon. Michael Chan: We are talking about what you're talking about.

Hon. Glen R. Murray: They're jealous that the member for Trinity–Spadina and I have way more condos than they do. I won't describe what kind of jealousy it is, Mr. Speaker, but it has something to do with condos.

Mr. Mike Colle: It's called condo envy.

Hon. Glen R. Murray: It's called condo envy: envy of big buildings.

I mean, 1.3 million or 10% of the population is very significant, and it's a new concept in housing, because there are so many shared responsibilities that it has introduced a lot of complexity. The MPP for Eglinton–Lawrence has been a big advocate for condo reform, and I want to recognize his contributions to this as well because he was one of the first MPPs here to start to raise this at our caucus, and through his constituents, he started to advocate for these kinds of things.

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But, Mr. Speaker, most importantly going forward, you realize that in Ontario—not just Toronto, not just Ottawa, not just our big cities—50% of all housing being built right now are condominiums. So while they're 10% of the built residential environment right now, at 50%, they're going to—and they're important as well because our transit investments, our \$130 billion in infrastructure, are very strong, and the great work that the member from Vaughan, the Minister of Transportation, is doing.

We have to build a new type of environment spatially in our communities, whether it's the ION in Kitchener–Waterloo, which we're contributing to, the LRT in Hamilton, the great work that's coming out of London in the planning stages, Ottawa's Confederation Line, the five-minute GO line or the Viva bus systems. I could go through a whole long list of them, but it's interesting that one of the things that's making transit viable is the fact that we have a high alignment of higher density neighbourhoods.

In my community, 70% of my constituents in the central part of my constituency from Bloor–Yorkville south do not own a car, which is, from a climate change perspective, quite remarkable, given that transportation and vehicles are our largest source of emissions. So this new bike-friendly, condo-friendly environment—and it's happening in smaller communities as well. In Elliot Lake, you see condos that are for retirement. So the complexity of this has really meant that a number of things have to happen to do that.

This bill, and I say this as a condo owner living in a condominium—I remember Margaret Wente in the Star, reading her advice to her followers: The one thing one should never do in life is buy a condo from plans. I bought a condo from plans. It was one of the most exciting experiences of my life when I arrived

and there was nothing but two pipes where the bathroom was supposed to be and only half the heating-cooling system was in place, which is costing me about \$12,000 in replacing both the HVAC systems. So you have a lot of issues. My experiences with Tarion were really good.

The issues you get into when you move into a new condominium, especially bought from plans, are one level that you're dealing with. I was very glad that we had a condo board, which deals with a lot of the issues of procurement for the building, because when you move into a building, the common area, the common elements, all involve a lot of—carpeting isn't in place, painting isn't done, the systems and the pumps and the swimming pool were not properly installed.

So having the kinds of protections that we're putting in, that boards have to provide more information to condo owners about any acquisitions or positions, will drive a lot of the fraud problems that have occurred with some management companies—the licensing and disclosure and dispute resolution process actually formalize and legally give all condo owners protection when there are issues that need to be resolved.

Condo management licensing is, I think, one of the most important parts of this bill. Anyone who has been in a condo association knows that the two things that seem to change a lot in the first five years are the condo management company and the security company. No one ever seems to like the one the developer or the builder picked. The proposed act would establish a separate piece of legislation, the Condominium Management Services Act, that delegates administrative authority to regulate condo managers and management firms by establishing a compulsory licensing system. Regulations under the act would set training and education standards for condo owners and for the ethics they practise. Because, as you know, at the root of almost all of the problems we've had with condominiums, when there has been fraud, when there has been tampering with the reserve funds, when there have been transactions or acquisitions by the condo that were not legal or have burdened condo owners with things that were expensive—it is really setting a standard for condo managers and buildings that's transparent. So now they will be licensed. Both the builder-developer and that first board of fresh young faces that takes over from the condo board will actually now have the ability to go to a place and see an independent assessment and know that they're not fly-by-night operations, and they'll know what the record of the condo management companies is.

One of the other things that I think is really critical is that we start to look at how condos will be run. This act would make it easier for condo owners and boards to participate and vote at meetings. For example, the condo board would no longer have to pass a bylaw in order to hold a meeting through conference calls or use some off-site management technique.

I live in a building with 236 units. Most of my neighbours—some of them are retired folks from the suburbs or from small-town Ontario, often, who have moved into the city, who don't want to have to manage their life with a car; they want to be in a neighbourhood where they can walk to places. They don't want a big house anymore. They want to have to clean only one bathroom and vacuum 700 square feet of space, not 3,000 or 4,000. They generally find it fairly easy to participate in condo life. But the majority of people in my building are young professional folks who work in banking downtown or

financial institutions. Some of them are young professionals. Many of them travel, and many of them are single people.

Right now, if you want to do a teleconference or a phone-in conference, you can't. You have to have a meeting in the building and you have to do it on one evening. One of the things we struggle with in my building is that every time we have an annual general condo meeting to elect our new board, to look at our financial statements, to talk about problems with the building, security issues and that, we have to do it physically. This simple change, bringing in such a simple thing as allowing phone-ins and video conferencing, allowing people to participate electronically in these conferences, is going to be huge. It's going to democratize it, and it's going to be very much more realistic, especially for the young generation of highly busy people who work and live in condos who right now can't often—their schedules don't allow them to be there for a 5 o'clock meeting in the evening.

I think I'm going to wrap up. I just thank Minister MacCharles and Minister Oraziatti for their great leadership in this. I hope that my friends opposite will see the value of this bill and support it.

The Deputy Speaker (Mr. Bas Balkissoon): Questions and comments?

Mrs. Gila Martow: I wanted to add to what the Minister of the Environment and Climate Change was just saying about the Viva bus system and better transit systems. What I can say is that it's sort of like baking a cake, Mr. Speaker: You can't be missing any ingredients. We're definitely missing some ingredients right now.

In my neck of the woods, up in my riding, we have the World on Yonge, which is an enormous, enormous condo complex of three towers and some retail at the bottom. It has been in the works for quite a number of years, and people are finally moving in. But it was designed to have a subway station in mind below this enormous complex, and yet the Yonge subway line, even though Metrolinx—every time they do a report, it seems to be at the top of the report in terms of priority; it just doesn't seem to get done.

So we are building Viva bus lanes, criss-crossing all over York region. The price tag is getting up to close to half the cost of expanding the Yonge subway. The whole point of building these Viva bus lanes is to connect to a Yonge subway. Without the Yonge subway, why are we building these Viva bus lanes? That's what I'm questioning. So let's get to work on not just protecting condo owners but ensuring that condo owners are not looking to buy condos where there is parking, that they're not looking to even have a car. Too often, north of, I would say, Sheppard, you cannot even contemplate having a condo without having a car. We need to make that a priority, and I hope somebody is looking into that: that, yes, we're going to allow higher condos to be built but not with so much parking—and to get working on the transit that is needed, not just to get cars off the road but so that condo dwellers can enjoy our city without the necessity of the expense of having a car.

The Deputy Speaker (Mr. Bas Balkissoon): The member for London West.

Ms. Peggy Sattler: It's a privilege to rise on behalf of the people I represent in London West to respond to some of the comments that were made by MPPs on the other side of the House. In particular, I wanted to comment on some of the points that were raised by the Minister of the Environment and Climate Change. He highlighted some of the work that has been done by members of his caucus to sound the alarm on this issue and push for reform, but in fact, Speaker, I wanted to remind this House that it was the former member for Trinity–Spadina, my esteemed former colleague Rosario Marchese, who really was the leader in pushing for reform on this issue. He tabled the first bill for Condominium Act reform back in 2007. The government refused to listen. They refused to acknowledge that there was a problem. They said the existing system worked just fine. Rosario didn't give up. He tabled three more bills, with a total of four bills overall. The last bill was tabled in 2012.

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Really, it was the falling glass from Toronto condo towers that precipitated the condo review that the government finally launched.

I also wanted to talk a little bit about condo manager licensing, which the minister also referred to. Yes, definitely, it's very important, but why was this not fast-tracked? Why is it not covered in the tribunal? The government committed to fast-track this issue back in 2013. There was consensus among stakeholders that this was necessary, and yet we've had to wait two years to see this come forward. And in the end, condo managers aren't included in the dispute resolution tribunal.

The Deputy Speaker (Mr. Bas Balkissoon): The member for Eglinton–Lawrence.

Mr. Mike Colle: I just want to thank the member for Trinity–Spadina and the member for Toronto Centre, the Minister of Climate Change.

The interesting thing here is that I went to a meeting about condo development. I have a lot of it in my riding, too. Someone stood up and said, "Mike Colle, you caused all these condos." I said, "What are you talking about?" "Yes, it's because of you." I said, "What do you mean?" "Well"—and the member from Timmins–James Bay will remember this. We stopped them from paving all of the Oak Ridges moraine. Remember, they were up there, Gilles? They were up there paving every square inch of wetlands up in the Oak Ridges moraine. In fact, we ended up in this House eventually protecting 1.1 million acres of land, the greenbelt, the Oak Ridges moraine.

The developers were saying, "You're putting everybody out of work. There will be no more work for construction." I think the developers are doing quite well. You can see they've already built 1.3 million units. Sure, there are challenges with condo development, but there's work. There are 50,000 units under construction and another 30,000 in the approval process. That's the reality. I have four towers being built right now at Dufferin and Lawrence.

There is so much going on in all of our communities. That's why this whole issue of condos and changing legislation has been needed, because there has just been an unprecedented amount of construction of

these new homes. So it is a very compelling issue. It is necessary. We all have to make this a good piece of legislation because, as I said before, I went through this in 1998 with the Conservative government. It is very daunting to try to get this right.

The Deputy Speaker (Mr. Bas Balkissoon): The member for Wellington–Halton Hills.

Mr. Ted Arnott: I'm very pleased to have the opportunity this morning to respond to the presentations of the member from Trinity–Spadina and the Minister of the Environment and Climate Change, who spoke just now on Bill 106, the Protecting Condominium Owners Act.

Yes, it's my understanding that our caucus is generally supportive of the principle of this bill and, in fact, looks forward to continued discussion on it when the bill goes to a standing committee of the Legislature, hopefully listening to the public and crafting the necessary amendments to improve the bill and strengthen it.

I would like to offer the House a situation in my riding for consideration. There is a beautiful renovated condominium building in Fergus. It was an old mill situated right beside the Grand River. It's on St. Andrew Street East in Fergus, very close to Gartshore Street. It was renovated a few years ago. Of course, the units were sold. It eventually came to the attention of the condominium owners that situated actually within the building is an electricity-generating turbine. They were concerned about the vibrations that this electricity-generating turbine was causing in the building, perhaps causing structural issues. They came to me seeking my advice as to whether or not the provincial government regulated these sorts of things. We wrote countless letters to a number of ministers about this issue and we discovered that the provincial government does not regulate these. These situations are actually very unusual and some of the staff indicated to me that they had never heard of such a thing.

This is clearly an issue that needs further discussion. Again, I have written a number of ministers and continue to advocate for my constituents. We need to get some consideration. It would seem something, logically, perhaps, that the Technical Standards and Safety Authority might regulate, but I would ask the government to consider it, and I'll follow up with the relevant ministers.

The Deputy Speaker (Mr. Bas Balkissoon): I thank everybody for their comments, and I'll return to the Minister of the Environment and Climate Change.

Hon. Glen R. Murray: I don't want to miss my friend from Wellington–Halton Hills, just on the heritage thing, because this is a complex issue, one that I hope should be a non partisan issue.

I'm always frustrated in Toronto because we put these glass towers up and heritage preservation is taking the facade of the building that was there before and attaching it to this glass tower like a sticky note—I call it sticky-note heritage—and the challenges of incorporating building fabric. Today we have private members' public business, so I think this is one of the issues that maybe this Legislature could start addressing, so I was very pleased to hear you raise that.

I want to thank my friend from Thornhill. I think sometimes we forget what a backlog we have in Ontario. I don't say this in a partisan way, because we made some mistakes over about 50 years in Ontario. The last Premier to be spending the amount of money and investing what we are in infrastructure was John Robarts. The last year in Ontario that we came anywhere near the equivalent—

Interruption.

Mr. Gilles Bisson: I think that's Robarts calling you.

Hon. Glen R. Murray: I doubt it. He's probably calling Mackenzie King.

Mr. Speaker, today's annual investments of \$13 billion in transit, roads, waters and sewers haven't been seen since 1967. As a matter of fact, at the beginning of this decade, we were down to \$1 billion a year, which was the lowest level of spending; we were spending 25% of what other provinces were spending for about 40 years in this province, from the 1970s on. It's only been a decade, really, that we've been back at those levels, so the backlog is evident in those things.

I hope the member from Thornhill will be committing and advocating with the federal government to get up to the levels of the spending it had in the 1960s, to match the Ontario government, the BC government and the Quebec government, because you can't have a condo boom unless you have a transit boom. And I think the member from Eglinton–Lawrence made that point, that land use is so critical—

The Deputy Speaker (Mr. Bas Balkissoon): Thank you. Further debate?

Mrs. Gila Martow: What I would say is it's not just an issue that we just throw money at in terms of building the transit for the condo development. It's about prioritizing those transit tax dollars.

What I was mentioning before is, yes, I was saying that we do need to get moving on the Yonge subway since is a priority project. What I was suggesting is that we need to prioritize those transit dollars to get the Yonge subway built, because we're spending an exorbitant amount of money on Viva bus lanes, \$640 million already. We're not seeing increased ridership, according to the data. In fact, the increased ridership on the Highway 7 line doesn't seem to even be keeping up with the growth in population.

What are we hearing? We're not hearing about maybe putting a bit of a pause on some of the bus lanes and getting that Yonge subway engineering planning report done. We are hearing a proposal to build Viva bus lanes on Bayview. I have to really question the planning wisdom of how those transit tax dollars are being spent.

Yes, of course, we are behind the times in the amount of money we have invested in these projects. Perhaps there needs to be some kind of transit fee involved in condos, because any of us who have ridings with significant numbers of residents who are dwelling in condos—they say, "Why are my municipal taxes so high? Very few of us have children in school"—which is a good point, but we don't

take that into account. “We have our own garbage collection system; maybe we’re paying for the city garbage collection system, the way the houses go along the roads and sometimes there are big lots. Why should we be paying for that level of garbage service when we’re basically bringing it to the bins and taking it away ourselves? Why are we paying probably the same rate of snow removal service per square foot of dwelling when obviously we have our own snow removal system and we don’t require the snow removal system of the city?”

So these are all questions that have to be addressed, and I have a feeling that we’re going to see a bit of a revolt at some time from condo dwellers saying, “Listen, we are paying condo fees. We have to pay condo management fees. We have sort of our own municipal tax system built into the condos. Why are we paying such a high tax rate to municipalities?” They’re going to want to pull back from that.

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Maybe what we should be doing is taking the bull by the horns and saying that part of the municipal taxes that condo dwellers pay for, say—I’m just throwing it out there, because I haven’t seen any data, but I would guess garbage and snow removal would be the two biggies. That money should be going towards transit development, specifically in conjunction with condos. What I mean by “in conjunction” is when we have the walkways above ground or underground, so that condo dwellers can easily get to trains, subways and bus terminals without braving too much of the elements or crossing busy streets. I think that would make life a lot more pleasant and safer, and people wouldn’t be hearing, as the member suggested, from residents complaining about either too many condos or too-high condos or things like that, because the entire neighbourhood around the condos would be benefitting if there was great retail, great cultural venues and great transit connected to those condos.

Before I got involved in provincial politics officially, I was very often at Vaughan council chambers, listening to the deputations and giving deputations, even. One councillor, Tony Carella, stands out in my mind, because when there were so many issues involving condos, he said, “You know what we need? What we need is a condo councillor. We need somebody who is a councillor not just for a ward but just for the condos in the city.” Basically, all the other councillors would not be in charge of the residents and the condo units; we would have one councillor.

Everybody took it as a joke, but I said to him afterward, “I see your point,” because the condo dwellers had very specific concerns and needs, and there were very complicated governing rules and regulations for the condos. If each city councillor had to be an expert in all the bylaws affecting condo living as well as residents, he felt that maybe we would be better off having somebody who focused on condos. What I suggested to him was that maybe the councillor for the smallest ward would also be in charge of some of the major condo complexes in sort of a supervisory way.

As politicians, we’ve all done door-to-door canvassing. Ideally, I think if we had to say, “Where do we want to go canvassing?”, we would all probably say, “Townhouses.” I certainly would, because they’re close together. They’re homes, and you’re knocking on the doors, and there’s not an access issue. It’s sort of a community. People sort of know their neighbours, know if their neighbours are home or not

home, or who lives there. I personally find that the most pleasant days of canvassing are the townhouses. The homes with separate lots: Obviously, you're getting a lot of exercise, but you're not accessing as many people, which is the point of canvassing.

Then there's the apartments and the condos. Mr. Speaker, I'm sure you're aware, as everybody else is, that there are challenges to canvassing condos. They don't normally let in what they call "solicitors," but because of the government regulations—and politicians, I suppose, take care of politicians; they didn't want to limit access for politicians speaking to residents—they cannot not allow us to canvass a condo.

Well, you can have a law, as we all know, in writing—and this regulation is coming out, and it will have all kinds of protections for condo residents. We're all quite aware of that. But oftentimes, just because something is on paper—it's in writing; it's a law—doesn't mean that it's easy to implement.

We have all, I'm sure, had times when we planned to canvass a building and we were not able to get in, because we don't know anybody in that building to buzz us in. On top of that, whoever is working—the concierge, if there is a concierge—they don't believe they have to let a candidate in to canvass. Maybe there's nobody answering the superintendent's or security's phone number. It's frustrating, because we have literature and we do want to speak to people.

Then there are the times when we do gain access to the condo or the apartment, and people are upset, because they're not used to people knocking on their door, and they're frightened. Oftentimes it's seniors. In many of the buildings, it tends to be a little bit of an older demographic.

I had, I would say, my best experience canvassing—it wasn't a condo; it was an apartment building—when I went up to Simcoe North to canvass for our new leader, Patrick Brown. The superintendent came right out when I pressed the button and said, "No, no, no, we don't like that." I had the act with me and showed her and read it to her and said, "I'm sorry. Nobody likes to be disturbed. Nobody likes to have knocking on the doors. I understand that the residents might be calling you and complaining: 'Somebody's knocking on my door. What should I do? Do something.'"

I said to her, "If you don't want to have the people phoning you"—she right away jumped on me and said, "Yes, I don't want the people phoning me." I said, "Well, if you're not busy now, why don't you walk through the building with me?" And she spent the next hour and 15 minutes walking with myself and my friend who came with me. We went from apartment to apartment, and she physically knocked on the doors, the superintendent, and she spoke to the people.

Oftentimes, while we were at the door, half of it was talking about the coming by-election. The other half was her communicating with people and saying, "Yes, we're going to be looking into fixing that door," and "Yes, don't forget; last time, you parked too close over into somebody else's spot," and all the issues. She was very well loved. Her name was Deborah; that stuck in my mind, because she was such a wonderful woman. Deborah was so well liked that I felt she deserved some kind of tribute, almost, for the way she managed this building. She knew who was babysitting, and who was working nights and we shouldn't knock on their door, and she would slip the literature under the door for us.

What we have to recognize is that the condos themselves are communities. They do have boards; they do have management systems. I think, as politicians, we've heard many complaints from residents saying, "What can you do? I love this building, but I cannot stand this management team. They're only in it for themselves. I reserved the party room, but then they cancelled it because they said they needed it for their own meeting." And there's this kind of infighting. It's a little bit like high school, where you have the cool people, I guess, on the board, and they're doing things that they want to do.

We might think, "Well, it's just a lot of fighting about"—I know I got a call at my constituency office about somebody who wanted the CCAC to do exercise classes in the party room in the condo. The condo didn't want to allow it. It's a type of seniors' exercise class. They didn't want chairs scraping.

I spoke to the condo manager—the president of the board, I believe. There's the management team that manages the day to day, and they hire the window cleaners. Then there's the condo board, which is more volunteers. That's where I'm talking about more the infighting, that if you're not on the right side or friendly with people on the condo boards, it's harder for you to get your opinions and your desires through.

What the president of the board did say, and she made a good point, was, "This isn't a seniors' building. This is a seniors-only exercise class, and I can't vote for an exercise class in the party room that is only for seniors, and other people can't join." Well, you know what? People are going to have mah-jong; people are going to have private parties.

What I'm trying to say, Mr. Speaker, is that I think it gets very complicated, and you can't legislate people to get along. I guess that's part of a lot of the problems in the condo units. Yes, we hear of fraud. Yes, we hear of mismanagement and money disappearing. But a lot of the problems that we hear about from condo dwellers are just about people living in very close proximity having a hard time getting along. It's about noise. It's about cooking smells. It's about leaving your bicycle or your dirty shoes out in the hall. It's about damaging joint property. It's about not wanting to pay for the shared costs of running the condo.

Let's face it: In condo buildings, you don't just own your condo. You own a share of that entire complex—not just the building, but the entire complex. I think that people here have heard, as I have, of enormous costs where people have bought condos, they're on a limited income, and a year or two after moving in—maybe that was why the previous owner sold—they are all of a sudden being hit with enormous bills to help pay to rebuild underground parking. We have to be concerned about that, because underground parking garages are very often supporting the buildings, I'm sure. If we're allowing salt or corrosive materials, if people are repairing their cars, if people are storing dangerous materials—I would hope, Mr. Speaker, that we have members, perhaps, of the fire department going around each year and checking the underground parking, checking the ventilation systems of the underground parking, because they can be very dangerous places.

In terms of managing condos, I have to commend the city of Vaughan. They set up a task force of councillors and residents to look at the management of condo buildings, and I think it was because they recognized that we've had this enormous condo development, and with it comes a new set of challenges from residents who are living in the condos or living near the condos.

We have to recognize, as the Minister of the Environment and Climate Change is often speaking about, with the outdoor climate that we're living in, that the wind tunnels that develop between condo buildings—we see it downtown—can oftentimes, for somebody who's fragile, for somebody who's weak, for somebody who's elderly or has a disability—I can talk from personal experience. I'm not the biggest person around, and I've literally felt myself being almost lifted off the ground by some of these powerful winds. We have to look at that.

We have to look at cell towers that are going on top of condos. I've heard many complaints from residents who say they don't want cellphone towers, even though it has been explained that, "Well, why should we erect a structure to put a cellphone tower when we have condos in the neighbourhood, and that's a tower by itself?" It just makes perfect sense to put this cellphone signal up on top. The data actually shows clearly that the people in the condo right underneath are not getting the signal as well as neighbouring people because it fans out; it doesn't fan out and come around into their units. But they're worried about resale value. We're always hearing, Mr. Speaker, for anything to do with property, that people are worried about any changes because they're worried that it'll inadvertently affect their resale value when they go to sell. They're worried that if their building has a cellphone tower on it, that might make it less desirable, that some people might not want to buy. So why should they want that? Maybe whatever money is being generated could go to the people in the condo to offset their monthly fees. Maybe that would be a way to convince them to have the cellphone towers. You can't take away from people without giving them something.

Perhaps we have to put in this legislation that anybody who buys a new condo cannot block a cellphone tower or other signals or anything from being put on top of the roof—in the fine print, so that later on nobody has to be asked; they've signed, and they've already given permission. It's something that could help us in terms of our ability not to have to build these towers everywhere, which I think are really quite an eyesore. It makes me nervous when you see some of these really high towers just standing there in the middle of nowhere—how safe they can be when they're so tiny in their width.

The condo boom in Toronto, I think, is going to continue. There are 30,000 condos just in the planning stage, I believe was said. We're all seeing that, in downtown Toronto, we're certainly becoming what we would call more than a city; we're becoming a metropolis. We see people on bikes using the bike lanes. We see people walking. That's what makes a healthy city, when there are people out on the streets. So we don't just want to have the condo towers connected underground and that everybody is living in these underground cities. We want to see people out on our streets.

We want to also take into account that a lot of people are now living in condos with children. It used to be that we didn't consider that when condos were being developed. Perhaps more child protection has to be addressed—that we want to see every new building have some kind of a playroom for young

children, not just exercise equipment for adults. Maybe we need to have some kind of a fun playroom for children, because we don't want the kids to be inactive. We know it's challenging, if you're up in a condo, to get the kids outside. I would like to see ways of making condos more family-friendly, Mr. Speaker. Perhaps even up on the roof would be ideal to have some playground equipment or something fun up there for the kids.

I think that we're going to see a lot of challenges ahead. That's our job here in the Legislature, to try and predict what the challenges are going to be in terms of changing our way of living and our way of interacting. Some of the challenges, of course, will be more children and schools, and maybe daycare spaces and things like that.

The other challenge is pets. A lot of condos try to not have pets. I've heard that that's been challenged. I hear mixed reports about whether they are legally allowed to actually ban pets. Maybe we have to take that step of addressing what are appropriate pets for condo living, because when you hear of a Great Dane living in an apartment or a condo, is it animal abuse? I don't think it's fair. I don't think anybody who has had a dog thinks that a large animal in an apartment or a condo is terribly appropriate. Maybe we have to take that into account in terms of the roof space, that it can have a little bit of an AstroTurf area for pets or something to that nature.

I think that there is a lot of support, certainly, for the way disputes get managed with condos; the way boards are formed; the way managers are trained, supervised and licensed; and greater transparency and greater accountability.

Especially with computers and systems like that, perhaps we have to say that condo management has to keep their monthly expenses online so that anybody in the condo can see where the money is going, because I think a lot of these complaints are unfounded. They see that they're spending a lot of money and they don't see the results because there are a lot of hidden costs.

I think that condos in themselves are another layer of a sort of governance. We have federal, provincial, municipal and now we have the condo levels of government.

Thank you very much, Mr. Speaker. I'm really happy to see progress in terms of many of the condo dwellers living an enjoyable and stress-free life.

The Deputy Speaker (Mr. Bas Balkissoon): Questions and comments?

Mr. Wayne Gates: I'm proud to stand again and talk on Bill 106, and in particular talk about Tarion. Tarion is the only deregulated authority established by the government with the power to create its own regulations without government approval. As a private corporation, the Ontario Ombudsman and the Auditor General are not allowed to investigate Tarion. The average compensation at Tarion is over \$100,000, with an unknown amount going to Tarion's CEOs and nine vice-presidents.

Tarion has a builder arbitration forum where builders can appeal Tarion's decisions quickly and cheaply without going to the LAT, but unfortunately, there is no such process for consumers.

A recent Toronto Star investigation found that Tarion does not disclose its records of risky builders to consumers, even as it—

Hon. Glen R. Murray: Point of order, Mr. Speaker.

The Deputy Speaker (Mr. Bas Balkissoon): Point of order.

Hon. Glen R. Murray: Mr. Speaker, this bill is not about Tarion. I think the member is out of order. Maybe he could speak to what the bill is about. I'm sure we'd like to—

The Deputy Speaker (Mr. Bas Balkissoon): Thank you.

I'd ask you to carry on and at least comment on the bill.

Mr. Wayne Gates: I believe it's what should be in the bill. That's the problem. If you're going to put a bill together that's supposed to protect consumers, then you should be taking a look at Tarion and finding out what they're doing. That's what the issue is.

I appreciate the person standing up from the Liberal Party and saying something, but let's be clear here. In 2013, Rosario—who, by the way, put the bill forward in 2007, and it's been eight years since it came forward—tabled a bill to put Tarion under the oversight of the Ombudsman and the Auditor General, along with other reforms.

Is Tarion another Ornge? That's the problem that we have. If not, will this government make Tarion open up its books and prove that it's not?

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The Deputy Speaker (Mr. Bas Balkissoon): Questions and comments?

Ms. Eleanor McMahon: I'm pleased to stand this morning and join my colleagues from Thornhill and Niagara Falls in discussion of this important legislation. I have several condo buildings in my riding of Burlington, and we're a community that's built out, essentially. Our future in Burlington is going to come through infill development and building up, and that means condos. We have several now; we're going to have several more. So I know that the citizens in Burlington will be thrilled, as I am, to see our government taking leadership in terms of creating a regulatory framework that will help and serve both condo owners and the administrators of condos by bringing transparency and making everyone's life simpler.

There's a commercial on television that's called "pushing the easy button." We should be, and I think we are here, trying to make people's lives easier and more predictable by giving them the tools that they

need. The other reason, and I know the member from Thornhill was talking about this, is that cities around the world are investing in transit-related development, and the reason that they're doing that is because they're following the lead of each other. We live in a globally competitive economy, and cities like Chicago and New York and San Francisco are competing against each other, and we're competing against them, too, for jobs.

The future means that more people are going to be living in more condensed and more dense communities, and certainly Burlington is going to reflect that. Attracting future jobs through investment in Burlington means more condos. It means more bike- and walk-friendly communities. It means safer, more connected communities, and so I thank and I applaud and I ask members across the aisle to support this legislation and make sure that they're giving consumers in their ridings the tools they need to govern themselves in a simpler, more effective and transparent manner.

The Deputy Speaker (Mr. Bas Balkissoon): The member for Wellington—Halton Hills.

Mr. Ted Arnott: I'm very pleased to respond to the member for Thornhill who gave a very interesting speech this morning. She is an outstanding member of our caucus and a real leader in this Legislature, and I want to commend her for the participation that she offers in this House on a day-to-day basis. But certainly Bill 106, Protecting Condominium Owners Act—we continue this debate, and it's an important debate.

We talk about, in this bill, the rights of the condominium owners, and certainly the condominium owners in all parts of Ontario, all the communities, I think would expect highway safety and road safety to be a high priority of the provincial government.

I want to inform the House of a situation in my riding, in the community of Georgetown, near a condominium development called the Sands, which is at the intersection of Guelph Street-Highway 7, in the built-up area of Georgetown, and McFarlane Drive-Hall Road. I have been approached by a number of the owners of the condominiums, as well as the leadership of the condominium development, and they have asked me to make inquiries with the Ministry of Transportation to see if traffic signals can be installed at that intersection. I've had a number of meetings with them.

The mayor of the town of Halton Hills, Rick Bonnette, has been involved, as well as other members of council, and we're trying to get the government to look at this issue in light of the reality that there is going to be considerable new development near that intersection, which will only add additional traffic pressure. They tell me that it's very, very difficult to make a turn coming out of their building most of the day because of this very busy stretch of Highway 7-Guelph Street through Georgetown.

I raise this issue with the members. I certainly want to continue to advocate for my constituents in this regard, with this particular issue, and we would hope that the Ministry of Transportation will continue to do whatever it can. Certainly, as I say, the safety of condominium residents should be an important consideration in this debate.

The Deputy Speaker (Mr. Bas Balkissoon): The member for Nickel Belt.

M^{me} France Gélinas: I too would like to congratulate the member from Thornhill for her comments this morning. It was a good balance of talking about what's in the bill, what's not in the bill, and how it affects people she represents, so well done.

This being said, I too will focus a bit as to what is not in the bill. When Rosario Marchese started pushing this bill forward in 2007, it was clear that action needed to be taken back then. Fast forward eight years later, still nothing has happened. Why am I talking about time frames? It's because it takes a very long time to bring a piece of legislation forward and finally change things.

There are gaping holes in that bill. Not that what it does is bad. What it does are things that Rosario had been pushing for for a long time and make sense. But we have to address some of the gaping holes, and one of them certainly has to do with developers.

When you look right now and right here in Toronto, there are seven class action lawsuits against developers, yet there is nothing in this bill that will make that process easier, more owner-friendly, more people-friendly. What a lost opportunity. We know that the developers are only in the picture at the beginning when the building is being built or reconverted, but we know that so many of the present condo owners are still having problems with their developers. Let's take this opportunity, while this bill is open, to address those. I think they deserve to be looked at just as much as everybody who lives in a condo does.

The Deputy Speaker (Mr. Bas Balkissoon): I thank everyone for their comments. I now return to the member.

Interjection.

The Deputy Speaker (Mr. Bas Balkissoon): Further debate?

Ms. Peggy Sattler: I am very pleased to join the debate today on Bill 106, the Protecting Condominium Owners Act, on behalf of the people I represent in London West. Like many of us in this Legislature, this is an issue that is of considerable importance to my constituents.

Before I begin my remarks, I want to commend my colleague the member for Bramalea–Gore–Malton for the excellent job he did in setting out the concerns of the NDP caucus about this legislation in his role as consumer services critic for our caucus. As he explained so eloquently in his inimitable way, this bill is a major step forward. It does go a long way to improving condominium governance, but it does not, by any means, address some of the biggest, most serious problems for condominium owners.

New Democrats are concerned that, even with this legislation in place, condo owners in this province can still be taken advantage of by unscrupulous condo developers and corrupt condo managers, and

they will still be left to fend for themselves in the courts. The bill does not provide them with access to the legislated protections that they have a right to expect from their government.

Speaker, it didn't have to be this way. The Minister of Government and Consumer Services, whose ministry is responsible for this bill, had a model that could have addressed some of the most egregious issues in condo disputes. There was a template readily available that could have been incorporated into this bill, and that would have provided the comprehensive protections that condo owners need. I am referring here to the private member's legislation that was developed by the former member for Trinity–Spadina, my NDP colleague Rosario Marchese.

Rosario, at the time, was MPP for a riding that has one of the highest concentrations of condo development in the country. Mr. Marchese worked tirelessly to push for changes to the condo act to ensure that condo owners were protected not just in disputes with their condo corporation board, but from developers and managers who were failing to deliver on their responsibilities under the law.

In March 2007, which was more than eight years ago, Mr. Marchese introduced the first of his four bills to reform the condo act. His most recent bill was tabled in April 2012. But each time he introduced his bill, the government insisted that the reforms were unnecessary, that the existing system worked just fine. Finally, even though the government could ignore the efforts of the NDP caucus to push reform, what they couldn't ignore were the risks to public safety that were presented when glass started falling from condo towers in Toronto. In 2012, this, at last, got the province to launch a review of the legislation. It's worth noting that because developers are not covered by Bill 106, the legislation that actually came out of this review will not do anything to protect condo owners from falling glass, which is ironic, to say the least.

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In Mr. Marchese's words, the explosion of condo development, without a corresponding update to condo legislation, created a "Wild West" for Ontario condo owners. Governed by a law that is now 16 years old—a law that was put in place long before the condo boom started—condominium boards, developers and managers are largely unregulated, unaccountable and too often unethical.

Under the current legislation, there is only one recourse available to condo owners who cannot get their disputes resolved, and that is through the courts. A condo owner might be dealing with a board of directors that is ignoring complaints from owners. They might be dealing with a management company that is not doing proper maintenance. Worst of all, they might be desperately trying to seek legal redress for a real estate deal that had gone bad—a developer not delivering what was promised in the showroom or cutting corners on materials and construction. Condo owners who cannot afford the huge legal costs in going to court do not have a recourse if they don't have the resources to move forward with a lawsuit.

Speaker, at this point, I think it's useful for us to pause for a moment and just reflect on who these condo owners are in Ontario.

We know from CMHC that across Canada in 2011, 71% of all condo owners were one-person households or couples without children. Of these, women made up two thirds of the one-person households and three quarters of one-person households that had adults aged 55 or older. These numbers, Speaker, are only going to increase as our population ages. Another 9% of condos in Canada are lone-parent households, but of these, fully 84%—four out of five—are headed by women.

As NDP women's issues critic, I'm urging all MPPs to reflect on this data, because we need to apply a gender lens to this debate. The data shows that condo act reform is an issue that disproportionately affects women. The gender wage gap means that women continue to earn 30% less than men. It also means that women, who are the fastest-growing group of condo owners, who are driving the boom in condo ownership, have even fewer resources than men to take developers or managers to court. It is women who will be the most disadvantaged by the gaps in this legislation and by what is not included in Bill 106.

I'm going to turn now to what Bill 106 does include, most of which, as other members of my caucus who have spoken to this bill have acknowledged, is a positive step forward.

One of the central provisions of the bill is the establishment of the condominium authority, which is a not-for-profit corporation that will provide training, education and advice to both condo owners and boards. The condo authority will be able to establish competency criteria for board directors, including criminal background checks, disclosures and mandatory training. It may also be responsible for preparing a condo owner's guide, which will outline the roles and responsibilities for people who live in condos.

Bill 106 improves transparency and accountability of condo boards of directors. It provides owners with greater access to important condo board documents. It requires more consultation and notification with owners before boards can undertake large expenditures. It tightens the rules for requisitioning owner meetings and increases financial oversight of boards, which includes their management of reserve funds.

The bill tightens and clarifies the rules governing common elements and what constitutes a material change. The bill also amends the Ontario New Home Warranties Plan Act to extend Tarion warranty coverage to condo conversions. But as my colleague the member for Niagara pointed out this morning, it does not include any meaningful Tarion reform, which we see as another major shortcoming of this bill.

Finally, and most importantly, the bill establishes a tribunal of the condo authority that will resolve some, but not all, disputes between condo owners and boards. In particular, the tribunal will not hear disputes involving developers and condo managers, which must still be resolved in court.

These are critically important, much-needed reforms that should have been implemented long ago. The NDP will be supporting these changes because we have been pushing for them for years.

Like many MPPs, I continue to hear horror stories from constituents of disastrous condo board governance and mismanagement of finance. So it's good that the government is finally acknowledging the need for reform, so that we, as MPPs, can actually start helping our constituents.

In particular, New Democrats welcome the requirement for condo managers to be licensed, although we do question why it took two years to bring forward a reform that the government promised to fast-track in 2013. This is a measure that was unanimously endorsed by all stakeholders around the table. Everyone who was involved in the consultations on reform recognized that this was one of the most problematic areas in condo governance, because of widespread concerns about fraud, corruption and bid-rigging in the condo management industry.

But before we go too far down the road of congratulating the government, New Democrats are reserving judgment on this bill until the regulations are written, because many of the details of the bill—much of the meat of the legislation—depends on what is in the regulations.

The regulations will determine if the condo authority will actually make the dispute resolution process cheaper and quicker, or whether the authority will become an ineffective bureaucracy that only adds to costs and delays for condo owners.

The regulations will determine what kind of teeth the condo manager licensing authority will have—whether it will be able to actually remove incompetent or unethical condo managers.

The regulations will determine what kind of rules are going to be put in place to standardize disclosure statements and declarations. We've heard too many cases of condo buyers who have been misled by weasel clauses that have been inserted into the purchase agreements; nasty surprises in the fine print; and unexpected costs and maintenance fee increases after their purchase is complete.

Leaving so much detail to the regulations is always troubling for MPPs, because it basically requires that we give the government a blank cheque and just hope that what is promised in the legislation is actually delivered by the government.

Quite frankly, we do have reason for our caution. We saw how the condo act review process was dominated by special interests from the condo industry. We saw how the expert panel was stacked with developers and condo industry lawyers and consultants. There was only a single advocate on the expert panel who spoke for the interests of condo owners.

We saw how the public input that had been gathered in different parts of the province, including London, was watered down in the recommendations that came out of the panel and resulted in what we see before us today, which is Bill 106.

Speaker, I now want to turn to some issues that are specific to my community and my riding of London West. Like many Ontario communities, London has a growing condo industry. Growth in condominium

stock represents almost 25% of the total growth in home ownership. Condos now make up 13.6% of owner households in London.

As many MPPs have already noted, condos are a popular choice for young people, especially young women, who are just getting into the housing market, and also for retirees on fixed income. This is certainly the case in London.

The most recent housing market outlook for the London CMA, which came out in the spring of this year, projects higher condo apartment and row house starts for the London area over the next two years because of the shortage of affordable existing homes for first-time homebuyers. The London St. Thomas Association of Realtors also reports an upturn in condo sales this year, a 9% increase between 2013 and 2014.

One of the unique features of London's condo sector is that almost 70% of our existing condominium stock is row houses or single detached homes, and this is more than any other CMA in Canada. This statistic is changing as new high-rise condo construction is approved, but what it means is that many of the disputes that come to my office concern issues around inadequate property maintenance and lack of upkeep, in addition to complaints about shoddy construction.

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As MPP for London West, my focus is to make sure that the issues that have been raised with me by constituents are actually addressed by Bill 106. One of my constituents wrote, "Under the current act, if the directors of a corporation fail or refuse to enforce corporation bylaws and declarations, unit owners have little in the way of legal recourse to correct the situation.... Meanwhile, those unit owners who have read, understood and have abided by the bylaws sit helplessly to see their property values decrease because the corporate culture has led to a libertarian free-for-all." This constituent went on to say that he lives in such a place as he has described. His "property values have declined and few residents seem to notice or care." The directors "have been in place for a long time and at least two of the three directors have fully embraced the free-for-all approach." This constituent was told, by one of the directors, "We have no rules."

He goes on to say, "Under current law, if I were to sue the directors, I would be required to pay their legal fees as well as my own, then, if they were found to have breached the Condominium Act ... they would be fined, and all the residents would have to pay their fine!"

Another constituent told me, "My issue is that every year fees go up—and often the administration fees that the manager charges also go up.... Is there any legislation controlling the manager administration fees? If not, this is something that should be subject to legislation. Seems to me the managers, if not regulated, just have a licence to print money!"

Speaker, these are just some of the examples of the concerns that constituents have brought to my office.

The most troubling case that has come to my attention most recently is that of Barry and Nicole Cotton, constituents in my riding of London West, who have seen their retirement savings destroyed—their condo investment vanish out the window—because of a developer’s neglect and failure to comply with condo legislation.

Barry and Nicole recently retired. They moved to London from Sudbury in 2010, and they purchased a unit in a 10-unit condo development in London West. At the time of their purchase, two of the other 10 units had been sold. A fourth unit was sold the following year. So four of the 10 units since 2011 have been owned by other condo owners. The developer kept control of the remaining six units. The developer and partners in his company made up the condo board of directors, and the Cottons’ nightmare began almost immediately.

They have told me, “We observed with growing concern and anxiety the inept and unprofessional management of the development in terms of lack of maintenance of the common elements, failure to complete and maintain the unsold units, financial mismanagement and failure to diligently market and sell the six unsold units of the condominium.... Over time, the appearance of the development has gone from an ‘in-development’ look to being seen as derelict and even abandoned.”

Conditions continued to deteriorate, and in May 2015, the Cottons met with a realtor to request a comparative market analysis. The realtor told them that a CMA would be useless, as he would not accept a listing of any unit at this location, nor steer any clients to the development. In other words, their home was now worthless.

In 2014, Barry and Nicole became president and secretary-treasurer of the condo corporation and finally gained access to the financial records. They found that no condo fees had been paid on the developer’s six units since 2008; no reserve fund study had been obtained. The Cottons went ahead, completed a study and learned that the reserve fund deficit is now almost \$80,000. The Cottons’ only option is to bring court action against the developer, which their lawyer says would be a long and expensive endeavour with no guarantees of success or restitution if the corporation succeeds. The Cottons’ question to all of us in this House is, “How can this happen in this country, in this province, in this day and age?”

When faced with these very difficult and problematic situations, the only recourse that condominium owners and directors have is litigation involving extensive resources in terms of time, money, stress and worry on the part of those involved.

I wish I could tell the Cottons that Bill 106 would ensure that no one would ever be taken advantage of in the way that they have wound up in London West. Unfortunately, I can’t say this. Bill 106 does not include developers. It does not allow condo owners to use the condo authority tribunal to resolve the kind of disputes that the Cottons have found themselves in.

But what I can say to the Cottons is that New Democrats—my colleagues and I on this side of the House—will be pushing for changes to Bill 106, to put the interests of condo owners ahead of the

interests of developers and condo managers, and to give condo owners the full protections they deserve under the condo law in this province.

Thank you very much, Speaker. I look forward to questions and comments from members.

The Deputy Speaker (Mr. Bas Balkissoon): Thank you very much.

Second reading debate deemed adjourned.