

## City Council

### Notice of Motion

MM24.12	ACTION			Ward:All
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**Protecting Condo Owners: Support for Bill 72 to amend the Condominium Act, the Building Code Act, and the Ontario New Homeowners Warranties Act - by Councillor Mike Layton, seconded by Councillor Adam Vaughan**

*\* Notice of this Motion has been given.*

*\* This Motion is subject to referral to the Planning and Growth Management Committee. A two thirds vote is required to waive referral.*

### Recommendations

Councillor Mike Layton, seconded by Councillor Adam Vaughan, recommends that:

1. City Council endorse Private Member's Bill 72: Property Owners Act, 2012.
2. City Council direct the City Clerk to convey City Council's endorsement of Private Member's Bill 72 to the Province of Ontario by sending a letter of support to the Premier of Ontario and all Toronto Area MPPs.

### Summary

Toronto is home to an impressive number of new condominium owners. Since Ontario's Condominium Act passed in 1998, there have been many changes in the housing industry, particularly with the number of new condominium developments. The introduction of the Greenbelt Act and the Places to Grow Act, in addition to market forces, have resulted in condo sales making up a vast majority of new home sales in Toronto.

Problems have been raised related to construction, inadequate disclosure by developers, minimal to no soundproofing between units, improper use of reserve funds, misuse of proxy votes during annual general meetings, and inadequate warranty coverage. However, the only form of dispute resolution available to most owners is through the courts, which is expensive and time-consuming.

Private Member's Bill 72, which has passed its second reading and is now before a Provincial Standing Committee, amends the Condominium Act (1998), the Building Code Act (1992) and the Ontario New Home Warranties Plan Act so that purchasers of new condominiums have better protection.

The main focus of the bill is to provide a better and more affordable way to resolve disputes

between owners, condo boards, property managers and developers. It also establishes better building standards and warranty coverage for purchasers of new condominium units.

In summary, Bill 72:

- Establishes a Condo Review Board for quicker, less expensive dispute resolution
- Extends the New Home Warranties Plan to cover conversion condos (e.g. lofts)
- Simplifies the process for installing renewable energy and other energy efficient technologies
- Requires better noise protection standards for condominiums
- Introduces the use of good faith language in declarations (purchase contracts)
- Requires developers and property managers to disclose conflicts of interest prior to performance audits
- Provides training support to volunteer condo boards through the Condo Review Board
- Ensures that developers can't ask owners to move into a building before it is fully built
- 5-year full warranty on all major structural components (electrical, elevators, etc.)
- One vote per owner regardless of number of units owned
- Requires that half of Tarion's directors have experience in consumer protection and advocacy. Tarion is responsible for administering the Ontario New Home Warranties Plan Act
- Requires property managers to be licensed by the Province
- Extends developer responsibility for condominium fees from one to three years
- Requires developers to disclose all previous business names used to construct condo projects

(Submitted to City Council on June 6 and 7, 2012 as MM24.12)

### **Background Information (City Council)**

Member Motion MM24.12