



REPORT FOR ACTION

Supporting Condo Dwellers

Date: August 31, 2016
To: Executive Committee
From: City Manager
Wards: All

SUMMARY

On October 20, 2015, the Executive Committee requested the City Manager in consultation with Municipal Licensing and Standards, Toronto Public Health, City Planning, Legal Services, and Social Development and Finance Administration, to consider the feasibility of Condo Clinics to support Torontonians living in condominiums.

The Condo Clinic model was introduced in Chicago to provide information to condominium owners, tenants and boards on governance, laws and roles and responsibilities. The Clinics are led by a non-profit membership based organization and are delivered in a single Ward in Chicago (in collaboration with the Ward Alderman). The City of Chicago's administration is not directly involved in the organization and operationalization of the Condo Clinic.

Staff have evaluated the feasibility of the Condo Clinic model to the City of Toronto based on four criteria: Ontario's regulatory framework for condos (including the City's jurisdiction); the effectiveness and efficiency of the model; resource requirements; and the value it would provide to Toronto residents.

Many of the benefits provided by Condo Clinics are already available to residents of Toronto through a suite of City and Provincial initiatives currently underway. Although a condo clinic model is not supported, it is recommended that the City provide additional support to condominium dwellers with the following complementary initiatives:

- Develop a web-portal that serves as an online resource for condominium dwellers to access and learn about City services and resources, including how to locate and contact local Councillors; and
- Leverage existing initiatives to inform condominium dwellers of relevant City services and better understand their needs to inform future City policy and planning decisions.

RECOMMENDATIONS

The City Manager recommends that:

1. City Council request the City Manager in collaboration with Toronto Building, Municipal Licensing and Standards, City Planning, Social Development and Finance Administration, Shelter Support and Housing Administration and 311 to consider the development of online resources to provide condominium dwellers with information on City services and currently available resources.
2. City Council request that the Chief Planner and Executive Director, City Planning in consultation with Toronto Building, Municipal Licensing and Standards, City Planning, Social Development and Finance Administration, Shelter Support and Housing Administration to leverage existing consultation initiatives in order to inform condominium dwellers of relevant City services and better understand their needs to inform future City policy and planning decisions.

FINANCIAL IMPACT

Costs to implement the recommendations are expected to be minimal and can be absorbed within existing divisional resources.

The Deputy City Manager & Chief Financial Officer has reviewed this report and concurs with the financial impact statement.

DECISION HISTORY

On October 20, 2015, the Executive Committee requested the City Manager, in consultation with Municipal Licensing and Standards, Toronto Public Health, City Planning, Legal Services, and Social Development, Finance and Administration, to report on the resources required, timing and feasibility of developing a Condo Clinic model on a pilot basis.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.EX9.21>

On July 8, 2014, City Council adopted the report from the Chief Planner and Executive Director, City Planning on *Report on the Condo Consultation* which contained a summary and recommendations of consultations with condominium occupants carried out in 2013.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.PG34.19>

ISSUE BACKGROUND

The City of Chicago Condo Clinic

A Condo Clinic is a model used in Ward 49 in the City of Chicago to provide condominium owners, tenants, and board members with information and education on condominium law, governance, and roles and responsibilities. The annual seminar also provides an opportunity for participants to discuss specific questions about individual issues with experts in condominium governance, including pro-bono legal services.

Condo Clinics are organized by the Association of Condominium, Townhouse and Homeowners Associations (ACTHA), a non-profit, membership based organization, in collaboration with the Ward Alderman's Office. The ACTHA arranges for experts to present information or answer questions at the session. The City of Chicago's administration is not directly involved in the organization or implementation of a Condo Clinic, except where a City division is invited to provide information about a specific City service (e.g. building permits).

Regulation of Condos in Toronto

Provincial Regulatory Framework

Condominiums are governed through the *Condominium Act, 1998*, ("Condominium Act"), which establishes a framework for condominium regulation, including rights and responsibilities of condominium owners and condominium boards.

In December 2015, the Province of Ontario, after approximately 18 months of consultations, amended the Condominium Act to provide stronger consumer protection, enhance transparency and accountability, and strengthen protection for new condo buyers.

A key reform introduced by the Province through this legislative change is the establishment of the Condo Authority Office, an independent non-profit organization mandated to provide education and resources on condo-living, including developing a Condo Guide with information on roles and responsibilities. The Office is also intended to serve as a first point of contact for information on condominium governance and other condo related issues.

The Province is in the process of implementing many of the changes outlined in the Condominium Act, with an anticipated launch date of mid-to-late 2017. A summary of the major reforms to the Condominium Act can be viewed here:

<https://www.ontario.ca/page/condominium-law-changes>

Condominium tenants' (renters) rights and responsibilities are governed by the *Residential Tenancies Act, 2006* (RTA), which provides general rights and responsibilities for all tenants. However, the Condominium Act does provide

condominium boards with some authority to apply to the Court for an order vacate a unit.

City of Toronto's Role

In respect of condominiums, the City of Toronto is responsible for reviewing and approving condominium development applications, issuing permits for construction, verifying compliance with the Ontario Building Code, and enforcing building standards in rental condominium units when there is a complaint to the City from a tenant.

In 2013, City Planning conducted extensive consultations including two public meetings at each Civic Centre, workshops and a survey to better understand issues encountered by condominium occupants. The results of the consultations, which were reported to City Council in the report (PG34.19), *Condo Consultations*, have informed a number of initiatives at the City, such as amendments to the Official Plan, accommodation needs of families living in condominiums, and enhancing coordination between City Divisions in the review of development applications.

City Planning has also established a number of initiatives that engage Toronto residents, including condominium dwellers, in planning and development related issues and decisions. Examples of engagement initiatives underway include Planners in Public Spaces, and Chief Planner's Roundtable and studies: *Growing Up: Planning for Children in New Vertical Communities*; *TOCore Planning Downtown*; and *Midtown in Focus: Growth, Built Form and Infrastructure Review*.

The City is also supporting condominium dwellers through a number of initiatives targeted at multi-residential buildings, such as funding the Federation of Metro Tenants' Hotline to provide all tenants in the private market rental housing with information; negotiating with private developers as part of the application and review process to include publicly accessible space (POPS); and enforcing property standards in rental condo units. The key initiatives targeted at multi-residential buildings are summarized in Attachment 1 of this report.

COMMENTS

Feasibility of Condo Clinics

The Executive Committee requested City staff to consider the feasibility of Condo Clinics. To determine the feasibility of a Condo Clinic model in Toronto, staff evaluated the model on four key feasibility criteria:

- **Authority:** Does the City of Toronto have the authorization and knowledge to provide education, information, and legal advice on condo-related issues and governance?

- **Effectiveness and Efficiency:** Would this model complement existing Provincial and City initiatives and would this be the most useful and effective model to support condominium dwellers?
- **Resource Requirements:** What City resources would be required to operate Condo Clinics and deliver the necessary outcomes?
- **Value Add:** Would Condo Clinics lead to a positive outcome for Toronto condo dwellers and residents?

An evaluation of the Condo Clinics model on the feasibility criteria does not support replicating a similar model in Toronto. Many of the objectives of Condo Clinics are currently being achieved through initiatives underway or planned at both the City and the Provincial levels. Staff also conducted jurisdictional research to identify any condominium-specific supports provided by other municipalities in Canada and the United States. The research failed to identify any specific programs targeting condominium dwellers (as a group) beyond services typically provided by municipalities to all residents.

The results of the evaluation are summarized below:

- **The City has limited authority in condominium regulation:** While the City is able to provide information on City services, the City is unable to provide legal support or advice to tenants. The City is also unable to provide advice on issues regulated through provincial legislation such as a dispute between a condominium owner and the condominium board or the condominium owner and the condominium tenant.

If the City provides information and support similar to those offered in Chicago, City run Condo Clinics will overlap with the role of the Provincial Condo Authority Office and other services being provided by governmental and non-profit organizations such as the Landlord and Tenant Board (a Provincial tribunal that provides advice and resources including information on legal aid available landlords and tenants).

- **Condo Clinic may duplicate previous and current initiatives:** The Province is in the process of implementing reforms to the Condominium Act, including establishing the Condo Authority Office to provide education and information on condominium governance and regulation. The City is also undertaking a number of initiatives to support multi-residential buildings, including condominium dwellers. With multiple initiatives underway at the Province and the City, Condo Clinics may duplicate efforts resulting in ineffective and inefficient use of resources.

Furthermore, the effectiveness of annual outreach and information events is dependent on participants' attendance and engagement, and requires a significant amount of staff time to organize.

Toronto Buildings' experience with the *Toronto Building Renovation Forum* demonstrates that other engagement tools may be more effective in sharing information. Toronto Building used to organize an annual *Toronto Building Renovation Forum* to provide information and an opportunity for residents to ask questions regarding construction and renovation projects. However, over time, the Forum experienced declining attendance and Toronto Buildings is now using other engagement mechanisms to share information including the better use of online resources.

- **Condo Clinics would require significant resources:** The administration of Condo Clinics by the City would require dedicated staff, resources and procurement of individuals with knowledge and expertise in condominium regulation. The City Planning consultations undertaken in 2013 with condominium dwellers required an estimated 1.5 FTEs and an external consultant to facilitate engagement sessions. Staff estimate that (at the very least) similar types of resources would be required to operate Condo Clinics and that resources may have to be increased to correspond with the growth in condominium units and developments throughout Toronto.
- **Condo Clinics' value to Toronto residents would be time-limited:** Condo Clinics in Chicago operate in a single Ward and are hosted annually. A similar event in Toronto may lead to a one-time positive contribution for few condo dwellers. However, the model is unable to provide on-going and regular support to condo dwellers like the existing City and Provincial support are designed to do, and is limited in its outreach and accessibility to a specific geographic area.

Supporting Condominium Dwellers in Toronto

Condominiums in Toronto are developing at an exceptional rate with over 28,000 units built in 2015. Condominiums are increasingly contributing to the City's housing stock, with condominiums making up over 22 percent of the City's housing stock.

As condominiums continue to increase, the City can further support condominium dwellers by complementing existing initiatives of the Province and the City. To further support condominium dwellers, this report recommends:

- a). Establish a web-portal to serve as an online resource for condominium dwellers; and
- b). Engage and inform condominium dwellers on City services and learn about their experiences

a). A Web-portal For Condominium Dwellers

A web-portal would be an online resource that could support condominium dwellers by providing a pathway to information on relevant services and available resources. The web-portal could include information on:

- City services, initiatives and tools that may be of interest to condominium dwellers;
- How to contact the City and how to locate and contact local Councillors;
- Links to Provincial initiatives and not-for-profit organizations that provide support to condominium dwellers; and
- Information and resources on tenants' rights and responsibilities.

The web-portal, as a comprehensive online resource, would complement current City and Provincial initiatives by streamlining information on services, resources, and initiatives for condo dwellers. It would provide on-going support to condominium dwellers and make it easier to contact City staff, and local councillors in respect of relevant issues.

The web portal would also provide the City with the flexibility to maintain, update and remove information to ensure continuous improvements in the support provided to condominium dwellers.

b). Engage condominium dwellers to inform them of City services and learn about their experiences

City Planning is already leading a number of initiatives that engage Toronto residents, including condominium dwellers, on a range of issues and planning related decisions.

Many of these initiatives are engaging condominium dwellers on specific issues or a specific location, and do not provide condominium dwellers an opportunity to be informed and engaged on the larger set of City services and initiatives that are available.

Condominium dwellers could benefit from being engaged and informed of all City services and initiatives related to condominium dwellers collectively in a dedicated session. City Planning can leverage one of its current initiatives to host a joint session with other City Divisions, including Toronto Building, Social Development and Finance Administration, Shelter Support and Housing Administration, and Municipal Licensing and Standards, to provide condominium dwellers with a comprehensive understanding of all the services and initiatives offered by the City. The session can also be used to learn about condominium dwellers experiences to inform future planning and policy decisions.

This session can complement current City and provincial initiatives by raising awareness and providing an opportunity for condominium dwellers to gain a collective understanding of the City's role, its services and share their experiences.

Conclusion:

The Condo Clinics model is used in a single Ward in Chicago and led by a non-profit, membership based organization to provide education and information on condominium governance. Replicating a similar model in Toronto is not recommended by staff as it would overlap with many of the current initiatives underway at the Province and City.

As condominiums continue to develop as a source of housing for residents, the City can further support condominium dwellers by complementing existing initiatives.

This report recommends establishing a web-portal to serve as a resource for condominium dwellers and leveraging existing initiatives to inform condominium dwellers of relevant City services and better understand their needs to inform future City policy and planning decisions.

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SIGNATURE



Peter Wallace
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ATTACHMENTS

Attachment 1 - Summary City of Toronto Initiatives to Support Multi-residential Buildings