



# Looking Ahead

**ACMO** held a Town Hall meeting on Tuesday, July 14, 2015 to discuss and review Bill 106, *Protecting Condominium Owners Act*.

The event included a panel discussion followed by a question period during which inquiries were received from the floor. Catherine Murdock, president of ACMO and district manager of DEL Property Management, served as moderator and the following individuals took turns presenting on key pieces of the legislation:

- Armand Conant, Shibley Righton LLP
- Chris Jaglowitz, Gardiner Miller Arnold LLP
- Dean McCabe, Wilson Blanchard Management
- Sally Thompson, Synergy Partners

The following is a selection of questions submitted during the Q&A portion of the program:

**1. Is board member education for all board members or only new ones?** The expert panel had originally suggested that board member education be a requirement for new board members. However the government seems to have gone even further than that in Bill 106 and is recommending in the new Act that education be a requirement for all board members.

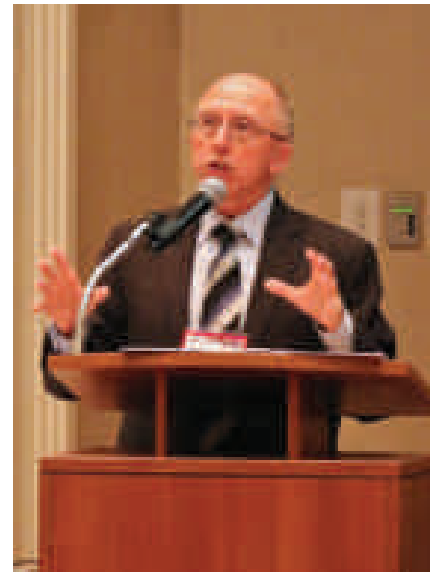
**2. Regarding boards, are there any new eligibility requirements?** The only new requirement would be

education. Once a director is elected, they will have a period of time to complete the required education, and if they fail to do so in the time allotted, they could be disqualified from their role as a director.

**3. Will certification and licensing be for new managers or for everyone?** Property manager licensing will be for anyone managing a condominium corporation in Ontario. The *Condominium Management Standards Act* will allow for some exceptions, and we expect some of those to be around allowing self-managed corporations to operate with the board as manager. In those cases, licensing would not be required. Of course we can expect a period of time to allow those that are managing to get their licence but this grandfathering period will be overseen by the new regulatory body.

**4. Is there a timeline to have the various regulations completed?** With the Act being dependent upon the drafting of regulations, we expect the process to last 18 months to 2 years.

**5. How will the standard unit definition that the new Act will contain deal with flooring? Will the new standards apply only to newly constructed condos or existing ones as well?** We don't know the standard that will be included in the regulations, but we do expect the standard



Above: Managers in attendance at ACMO's Town Hall. Right: Armand Conant explains governance requirements. Photos: Edwina Tukpeyi and Dianne Werbicki

would apply to all corporations unless a condo has passed their own standard unit bylaw, in which case that definition would take precedence over the regulations contained in the new Act.

**6. What happens to ACMO? Why not pass legislation to govern ACMO rather than set up a new office? Why re-invent the wheel? Why is ACMO "selling out" their education etc. to the government?**

ACMO is not selling out our education program in any way. In fact the board believes the government has recognized our education program is the best platform for licensing the condo management profession. The reason ACMO has not been appointed as the regulatory body is because of the necessary checks and balances in any regulated profession. There is no regulated profession in Ontario that has one organization that is both the educational body and the licensing body. ACMO was set up and organized to develop and deliver outstanding condominium management education, and that is where our focus will remain. The new Authority that is being set up will have the ability to issue the licences and oversee the ethical and professional standards for condo managers.

**7. Can you comment on how ACMO 2000 will be affected by the proposed legislation?** ACMO 2000 will continue to be the best practise standard for condo management

companies as ISO standards are for other industries. We do not expect ACMO 2000 to be the standard for licensing management companies, however it will still be a point of differentiation for management companies as they compete in an open marketplace.

**8. Regarding fees for providers/managers, they need to account for smaller companies who manage fewer units.** A \$1,500 fee to a company managing 3,000 units is small vs. \$1,500 to a company managing 300 units. The same applies for managers. We believe there are about 2,700 managers, out of which about 800 are RCMs, and the rest don't have a designation. If the licensing cost is \$700 a year, and someone is managing 500 units, there is an impact of \$1.25 per unit. This is 18 cents a month which is less than the Condominium Authority will charge us. I don't think the licensing cost will be a lot. There will be a different scale for management companies but these will be set by the DAA.

**9. Compared to management, what is the consequence if the board contravenes the Act?** The manager's responsibility in these situations is contained in section 55 of the *Condo Management Standards Act* which states the manager will not counsel or assist the board in violating the Act. We do not know the impact to boards that choose to ignore their

legislative duties. That will be for the Authority to deal with. But we have a responsibility as managers to counsel our boards to follow the requirements of the Act.

**10. Does ACMO trust the process?** We have no reason not to trust the process. This has been a very inclusive process so far in the drafting of the legislation. ACMO will continue to make recommendations to government, to provide information to the standing committee and to continue to be a resource for the government as they draft regulations. Our relationship with Ministry staff has been excellent. While we don't see eye to eye on every point, we have to respect the relationship we have developed and the fact that our opinion is sought out on a variety of issues.

*A full list of questions and answers can be found on our website at [www.acmo.org/condo-act-news/](http://www.acmo.org/condo-act-news/).*

### Next Steps

A task force will compile a list of recommendations from the Town Hall discussion and other events and will provide to the government when the legislature reconvenes and for ensuing debates. ❖

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