



National Outlook

CFAA speaks for landlords in Housing Consultation

By John Dickie, CFAA-FCAPI President



In January 2005, CFAA became extremely active in the Federal Housing Framework Consultation, a once-in-a-decade opportunity to change federal housing policy.

CFAA worked to get member associations invited to the various invitational community consultations. We achieved invitations for six of our member associations. CFAA's Chair for 2004/05, David McIlveen, also presented on behalf of a major landlord in Calgary.

In addition, CFAA wanted to achieve one representative at three of the five expert panels and two representatives at the other two expert panels (which are

the most important to private landlords). We achieved that in full.

CFAA developed and presented answers to the government's consultation questions, setting out CFAA's preferred policies in detail as they would apply in a variety of situations the government is interested in. See our paper Responses to the Housing Framework Consultation at www.cfaa-fcapi.org

We said that the building of ordinary housing is best left to the private market. Because it is new, newly built housing cannot be affordable. Existing tools do work well to promote the building of

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Three cheers for Housing Minister Fontana

By June Carter, CFAA-FCAPI Vice President

On March 23, 2005, Housing Minister Fontana announced that the federal government has agreed to allow the provinces to use federal funds that had been earmarked for new housing construction to supplement rents. Achieving that flexibility was the specific goal the directors of the Canadian Federation of Apartment Associations (CFAA) set at our AGM & Conference in August 2004.

CFAA has been pressing for more emphasis on demand side solutions to the "affordable housing"

problem for many years, as have our member associations. Finally with Mr. Fontana in charge of the housing file, new moves in that direction are being made.

Mr. Fontana has had a high degree of interest in the housing file for many years. For example, in 1990 he co-chaired the National Liberal Caucus Task Force on Housing with the Honourable Paul Martin, now Prime Minister. Landlords should be proud of the work they have done with Mr.

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La Corporation des Propriétaires Immobiliers du Québec (CORPIQ) réagit à l'annonce du budget du ministre Goodale

By Jean-Francois Bigras, CORPIQ

Le gouvernement abandonne les ménages à faible revenu

Montréal, le mercredi 23 février 2005 – À la suite du dépôt du budget fédéral présenté par le ministre Ralph Goodale, la Corporation des Propriétaires Immobiliers du Québec (CORPIQ) déplore qu'aucune nouvelle somme d'argent ne soit allouée à l'habitation jusqu'à présent.

La CORPIQ se dit déçue que le ministre Goodale n'ait pas consacré une partie des sommes de son surplus budgétaire dans le but de venir en aide

aux familles à faible revenu.

« Une fois de plus, on constate que le manque de fonds engendrera une détérioration de l'abordabilité du logement pour les familles à faible revenu. Quant aux propriétaires, ils considèrent que cette situation a suffisamment perduré car ils auront encore à assumer une charge sociale qui incombe d'abord et avant tout à nos gouvernements. », affirme Luc Courtemanche, président de la CORPIQ.

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Un partenariat entre le secteur privé, le gouvernement de l'Ontario, la ville de Toronto et la Toronto Community Foundation permet de créer un nouveau programme de logement novateur

TORONTO — Le gouvernement de l'Ontario s'est engagé à octroyer le montant de 3,6 millions de dollars au chapitre de 400 allocations de logement qui seront accordées à des locataires à faible revenu, à Toronto. Ce financement s'inscrit dans le cadre de la stratégie exhaustive du gouvernement McGuinty visant à créer un plus grand nombre de logements abordables destinés aux Ontariennes et Ontariens.

Ce programme pilote, qui s'appelle Programme d'allocation de logement pour l'épanouissement communautaire - projet pilote de Toronto, a été annoncé par le ministre des Affaires municipales et du Logement, John Gerretsen, le maire de Toronto, David Miller, Anne Swarbrick, présidente et directrice générale de la Toronto Community Foundation et Brad Butt, directeur général de la Greater Toronto Apartment Association.

« Nous sommes déterminés à fournir des logements abordables à ceux et celles qui en ont besoin. Nous faisons aujourd'hui un pas important dans cette voie. Le projet pilote de Toronto, entrepris dans le cadre du Programme d'allocation de logement pour l'épanouissement communautaire, illustre parfaitement bien comment nous pouvons élaborer des stratégies de logement abordable grâce à des partenariats entre les paliers de gouvernement, les collectivités et le secteur privé, a déclaré M. Gerretsen. Ensemble, nous édifions des collectivités solides offrant une qualité de vie à nulle autre pareille. »

Ce nouveau partenariat novateur entre le secteur privé et public a été établi par la Toronto Community Foundation, un organisme de bienfaisance ayant pour mission de faire de Toronto le meilleur endroit au monde où vivre, travailler, apprendre et grandir. Les partenaires incluent la province, la ville de Toronto., la Toronto Community Housing et des locateurs locaux.

« Ce partenariat prouve que lorsque les partenaires communautaires collaborent, nous pouvons trouver des solutions novatrices et pratiques qui permettent d'améliorer la qualité de vie à Toronto, a ajouté Anne Swarbrick, présidente et directrice générale de la Toronto Community Foundation. Premièrement, les locateurs privés de Toronto se sont engagés à verser 50 pour cent des allocations pendant un minimum de cinq ans. La Toronto Community Housing Corporation a ensuite collaboré avec nous à la conception des principaux composants du programme. Le bureau du maire et le personnel de la ville se sont joints à nous et ont joué un rôle extrêmement utile. Le ministre Gerretsen et son équipe provinciale nous ont été d'une aide précieuse et se sont engagés à faire de ces 400 premiers logements une réalité. »

« Ce programme pilote aidera des centaines de Torontoises et Torontois méritants à se trouver un foyer. Il permettra également de créer un cadre de collaboration qui nous aidera à forger de l'avant et à introduire d'autres initiatives pour résoudre la crise du logement abordable à Toronto », a poursuivi le maire M. Miller.

« La Greater Toronto Apartment



Association est heureuse d'appuyer le projet pilote de la Toronto Community Foundation, a mentionné Brad Butt, directeur général de la Greater Toronto Apartment Association. Nous pensons que la réaction des locateurs à l'appel de propositions sera bonne et que les 400 logements seront offerts par notre secteur. »

La Toronto Community Foundation administrera le nouveau programme. Les locataires dont le nom figure sur des listes

Nous sommes déterminés à fournir des logements abordables à ceux et celles qui en ont besoin.

d'attente pour un logement social et qui, dans certains cas payent plus de 50 pour cent de leur revenu familial pour se loger, pourraient toucher des allocations de logement se chiffrant environ à 300 \$ par mois, montant qui se compose d'une contribution égale du gouvernement provincial et des locateurs de Toronto participant à ce programme.



CORPIQ cont'u

(Continued from page 1)

Il est impératif à ce que de nouveaux fonds destinés au logement puissent servir à défrayer les coûts de loyer plutôt que d'être limités à la construction de nouveaux logements. Ce qui représente une immense perte et déception tant pour les propriétaires à logement que pour les locataires à faible revenu.

La CORPIQ est la plus importante association de propriétaires d'immeubles à loge-

ments au Québec, organisme à but non lucratif qui compte plus de 8 700 membres. De plus, elle est membre de la CANADIAN FEDERATION OF APARTMENT ASSOCIATIONS (CFAA), soit la Fédération canadienne des associations de propriétaires Immobiliers.

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L'Association de propriétaires de logements

Une fois de plus, on constate que le manque de fonds engendrera une détérioration de l'abordabilité du logement pour les familles à faible revenu.

New Member Profile: St. John Apartment Owners Association

By Scott Stacey, President SJ AOA

The Saint John Apartment Owners Association was incorporated in 1998 and is quickly becoming a dynamic force in the rental industry. We are a non-profit group and Landlord participation has made everything possible. With the help of dedicated Landlords, our industry will be vastly improved. The SJAOA can help Landlords save \$\$\$\$ of dollars per year.



We are creating a strong, influential voice for our members by improving the overall health and profitability of our industry.

In 2005, we will become a provincial association, just like in Nova Scotia, Ontario and other provinces. This will give us greater recognition with the Provincial Government when we need to voice our opinions. We will also fight negative legislation and Provincial laws that are bad for Landlords.

When you become a member of the SJAOA you are entitled to a number of benefits:

Collections on bad debts—We have partnered with Atlantic Collections Agencies who have put together a great package for our members. Among other things, they will collect on monies owed to us from past tenants. You do not pay for

this service unless monies are collected. If no collections are made on the Tenant, the debt will go on their national credit rating just the same as a default on a car payment, mortgage payment, etc. This is strong motivation for past Tenants to “Pay Up!”

Education Programs—The Certified Apartment Managers Program, CAM, is being brought to New Brunswick by your SJ AOA efforts. This is a nationally recognized program that has been running in Nova Scotia for many years now. By the spring of 2005 you too will be able to

When you become part of a large organization, your voice and opinion become very strong and valuable.

participate in this great educational program. Many other educational programs will be developed as time and “Membership” dictate.

E-Mail—Stay informed about what is happening in the Landlord community with up to date e-mails from the SJAOA.

Free Advertising—On our website, www.sjaoa.com, you can advertise your

vacancies, complete with photos and as much description as you require, **free of charge.**

For a few brief words in the local paper you will pay almost \$50 dollars.

This alone will save you a lot of money and as our website grows your ads will reach people all over the world.

One Strong Voice—When you become part of a large organization, your voice and opinion become very strong and valuable. For instance, we are now taking on the “Double Taxation” issue, which has plagued Landlords in New Brunswick for Decades. Nowhere else in Canada do Landlords suffer such unjust taxation. We are now reaching such strength in numbers that we will soon strike down this negative legislation. We have a mandate for this objective and your participation will add strength to this very important issue.

Product and service discounts—Members can participate in a fantastic home heating oil discount. We are also pursuing discount programs for natural gas,



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Housing consultation cont'd

(Continued from page 1)

housing, but building new housing is inevitably building housing at high cost. Where the private market is allowed to work, it responds very efficiently to market demand.

The main cause of core housing need is the fact that the housing costs more than 30% of the occupant's income. To increase the supply of “affordable” housing, we need either a reduction in costs (like lower income taxes on rental property) or an increase in the ability of people to pay for low-rent housing, or both.

Specifically, we said:

- Affordable housing can be produced with little government assistance if approached in the optimum way.
- Most tenants do not need new units - they need help paying their rent.
- Government should provide “in-situ” rental subsidies, allowing tenants to remain in their current home and benefit from financial support without the need to physically relocate.

- Portable housing allowances help a greater number of low-income households at much less cost to the taxpayer than building new housing.

Our overall policy prescription for government is:

1. Concentrate funding for new affordable housing on special needs or supportive housing.
2. Increase funding for rent supplements or portable housing allowances to address the income problem faced by low-income tenants.
3. Eliminate the current tax discrimination against the rental housing industry.

In our view, CFAA's policies would lead to a better situation for tenants, landlords and taxpayers. Tenants would be better able to afford their rental homes, and would see more choice and better maintenance and services through private competition. Landlords would see more investment opportunities, and a greater ability to buy or sell as their investment goals change. Taxpayers would save money because the cost of helping tenants directly

More landlord volunteers are needed to increase the presence and influence private landlords have with the federal government and to make sure the decision is widely implemented.

with their affordability problems is far less than the cost of the government subsidizing the building of new housing.

On March 23, 2005, Housing Minister Fontana announced that cabinet has approved the use of federal housing money for rent supplements or housing allowances. For more details, see the article “Three cheers...” on page 1.

More landlord volunteers are needed to increase the presence and influence private landlords have with the federal government and to make sure the decision is widely implemented.

If you are willing to contact a federal decision maker for the CFAA, contact John Dickie at [resident@cfaa-fcapi.org](mailto:president@cfaa-fcapi.org).

Ontario Provincial Government celebrates one year in office

By Vince Brescia, FRPO President

In Ontario, the provincial government recently celebrated its first anniversary in office. What this has meant for the industry is that the government is now getting around to changing a variety of pieces of legislation that affect the rental housing industry, in addition to its stated intention to repeal the *Tenant Protection Act*. Among the areas of activity which will impact the industry are the following:



- A new electricity pricing scheme is to be announced this spring
- Electricity sub-metering (individual suite metering) of multi-residential buildings may be mandated in the spring, with a

planned phase-in period

- A new Disabilities Act has been introduced which will set in place a

With respect to tightening rent controls and repealing the Tenant Protection Act, new legislation has yet to be introduced, but is expected either this spring or early in the fall.

process for reviewing accessibility standards by industry sector

- A pit bull ban was introduced in the province, and associated fines for dogs involved in attacks, which will obviously restrict pit-bulls, but may also increase liability for building

owners and managers

- Legislation targeting marijuana grow-ops was introduced which will give utilities and the police more power to take action where grow ops are found, and increased fines for tampering with electrical wiring

With respect to tightening rent controls and repealing the Tenant Protection Act, new legislation has yet to be introduced, but is expected either this spring or early in the fall. No change from the government's previously stated intentions in this area has been announced.

For more information on the Federation of Rental-housing Providers of Ontario, membership, research papers and its programs, please contact Vince Brescia, President at 877-688-1960 or www.frpo.org

Fontana cont'd

(Continued from page 1)

Fontana over the years in educating him about the realities of our industry, including federal tax issues and the benefits of demand side solutions.

More work will be needed to have the decision implemented through provincial take-up of rent supplements and housing allowances. Our experience has shown that issues will arise at the Federal, Provincial and Municipal levels, so that a coordinated approach will be needed to get all three governments to emphasize demand side solutions.

CFAA has been very active in the Federal Housing Framework Consultation which took place in January and February. For more details, see the article "CFAA speaks

for landlords..." on p.1.

As landlords and as concerned taxpayers, our message is that rent supplements and portable housing allowances help low-income renters more effectively than building brand new rental units, which are much more costly.

Portable housing allowances also have other benefits for tenants and taxpayers, including the following:

- They encourage private investment in rental housing rather than discouraging it.
- The money available for affordable housing can be spread equitably among more low income tenants.
- Low income tenants can live where they want, and take the allowance with them when they move.

- Tenants can take jobs in different places without losing their housing benefits, which is good for them, for taxpayers and for the economy.
- Program design permits flexibility to respond to different regional needs and provincial budgets.

CFAA will continue to work with our member associations to bring these benefits to the taxpayers, tenants and landlords in your community and across Canada.

As landlords, our message is that rent supplements and portable housing allowances help low-income renters more (cost) effectively than building brand new rental units.

New Brunswick Property Tax System: Non "Owner Occupied" property tax and its impact

By Scott Stacey, SJAOA President

The Facts

New Brunswick has the highest property tax rates in the country. The rate difference is mostly due to the fact that in New Brunswick the Province adds a tax of \$1.50 per \$100 of assessment to the municipal property tax rate, whereas, all of the other maritime provinces and most other Canadian provinces do not.

Competitiveness

Our tax rate is more than double the rate of



other maritime provinces and close to double that of the rest of the country. New Brunswick is not competitive.

Economic Impact

It keeps other developers out, therefore, stagnating our growth as a province. There are very few outside developers of multi-unit residential properties building in New Brunswick. It is simply too expensive when considering options of building in New Brunswick vs. Nova Scotia for example.

It increases our rental rates, which impacts

the cost of living for employees of new companies looking to set up business in New Brunswick. Part of the equation in deciding to move business to New Brunswick is attracting employees to work. The cost of living becomes an important factor in drawing employees to and back to New Brunswick.

Most landlords in the province are entrepreneurs that are interested in reinvesting in the province in other businesses which will mean more

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PARTNERSHIP BETWEEN PRIVATE SECTOR, ONTARIO GOVERNMENT, CITY OF TORONTO AND TORONTO COMMUNITY FOUNDATION CREATES INNOVATIVE NEW HOUSING PROGRAM: Province commits \$3.6 million to pilot program

TORONTO — The Ontario government is committing \$3.6 million to provide 400 housing allowances to lower-income tenants in Toronto. This funding is part of the McGuinty government’s comprehensive strategy to create more affordable housing for Ontarians.

The pilot program, Strong Communities Housing Allowance Program – Toronto Pilot, was announced by Municipal Affairs and Housing Minister John Gerretsen, Toronto Mayor David Miller, Anne Swarbrick, President and CEO of the Toronto Community Foundation and Brad Butt, Executive Director of the Greater Toronto Apartment Association.

“We’re committed to providing affordable housing to those who need it. Today, we’re taking another step toward meeting that commitment. The Toronto pilot of the Strong Communities Housing Allowance Program is an excellent example of how affordable housing strategies are developed

through partnerships between governments, communities and the private sector,” said Gerretsen. “Together we are building strong communities with a quality of life that is second to none.”

The innovative new partnership was developed by the Toronto Community Foundation, a charitable organization dedicated to making Toronto the best place



This partnership demonstrates that when community partners work together, we can create innovative, practical solutions that improve Toronto’s quality of life.

to live, work, learn and grow. Partners include the province, the City of Toronto, Toronto Community Housing and local landlords.

“This partnership demonstrates that when

community partners work together, we can create innovative, practical solutions that improve Toronto’s quality of life,” said Anne Swarbrick, President and CEO, Toronto Community Foundation.

“First, Toronto’s private landlords committed 50 per cent of the allowance for a minimum of five years. Then Toronto Community Housing and the Mayor’s office worked with us to design key program elements. Minister Gerretsen and

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NB Property Tax Cont’d

(Continued from page 4)
employment and spin offs for other businesses that supply products to these businesses.

AFFORDABLE HOUSING

The Federal and Provincial governments have put together a program administered by CMHC to encourage development of affordable housing units. All levels of government and non profit groups believe there is a big need for this product. However, no one is building these units in New Brunswick despite what looks like a good program on the surface. The problem is that no one can make money on the product because with such high property taxes the operating costs are too high to make it operationally viable. The Federal government recently announced that they will be placing a CHMC representative in Saint John because the need is becoming desperate there. The province needs to make the change to a more comparable system to the rest of the country to make this program work.

	Single Family Home Tax Rates	Apartment Tax Rates	Tax Increase for Apartments as a %
New Brunswick	\$1.616	\$3.166	96%
Other Maritime Provinces	\$1.531	\$1.531	0%
Other Canadian Cities (averaged)	\$1.406	\$1.655	18%

This also needs to be an across the board change to maintain an equitable playing field.

The increases that we are seeing in assessment values this year are on average 20%. This is going to impact rental rates. Property taxes represent the single largest expense line for landlords and are equal to all other operational expenses combined. How can this not affect rental rates? As all

As all landlords compensate for this increased expense (property taxes) the problem with affordable housing is only going to get worse.

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SENIORS – A GROWING DEMOGRAPHIC

Demographics show that the seniors market is growing faster than any other market in the province. This translates into more people moving into rental units. These people are educated and more in tune with politics than any other renters in history. They are also on fixed incomes. Therefore, the renting public is becoming less transient and more interested in what is happening in their province. Most of these people are active voters. They will expect more fairness in the system.

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Federal Housing Minister speaks

By John Dickie, CFAA-FCAPI President

On March 23, 2005, Housing Minister Fontana announced that the federal government has agreed to allow the provinces to use federal funds that had been earmarked for new housing construction to supplement rents. In an interview with Robert Fife, Parliamentary Bureau Chief for Canwest, Mr. Fontana made the following comments.



Mr. Fontana said the federal cabinet agreed to make the federal housing program more flexible to meet specific housing needs in every province and territory.

Mr. Fontana used Vancouver as an example, where the CMHC average rent for a two bedroom apartment is \$984. "For an average of \$300 I am going to turn that \$1000 apartment into a \$700 apartment."

"Every community is different, and so we need to develop a flexible toolbox. The Atlantic provinces want federal matching funds to encourage home ownership," added Mr. Fontana.

Mr. Fontana also said he prefers "mixed income developments to large public housing projects for low-income Canadians because the latter are more likely to become ghettos and reinforce the cycle of poverty."

The government has already spent \$800 million to build 10,000 homeless shelters and transitional housing units, but shelters are a very expensive way of housing people. Minister Fontana sees rent supplements and portable housing allowances as effective ways to get people out of transitional housing and shelters, and into permanent rental homes.

Thanks to the Minister's direction, CMHC

is studying the design of a system of portable housing allowances.

For each tenant helped, rent supplements or portable housing allowances cost much less than building new housing. That makes them a boon for taxpayers.

CFAA applauds Minister Fontana for adding these new tools to the affordable housing toolkit. CFAA and our member associations will continue to work hard to ensure the new tools are designed well, and used soon.

Mr. Fontana said the federal cabinet agreed to make the federal housing program more flexible to meet specific housing needs in every province and territory.

NB Property Tax Cont'd

(Continued from page 5)

STUDENTS

The province is and should be concerned with the cost of education of university students. This cost includes the cost of rent. More taxes means more rent. Most of these students are living on student loans. The cost to them after paying interest is even greater.

We want to encourage more and more of

It is not fair that people that can afford homes pay less tax than those that cannot.

our youth to educate themselves. It means a better quality of life. The cost of housing is discouraging and will be even more discouraging as rents rise to accommodate an increase in taxes.

SINGLE FAMILY HOME RATE VS RENTAL HOME RATE

The reality of a free enterprise system is that costs will be passed on to the consumer. Therefore, whether the Tenants pay for the property taxes directly or through their rent, they are paying for the property taxes.

It is not fair that people that can afford homes pay less tax than those that cannot. This is especially important considering that the great majority of the provinces share this philosophy but New Brunswick does not.

SJAOA Cont'd

propane, and even gasoline. As we grow, we will develop discount programs for building supplies and other things, which Landlords and apartment managers use to run their business. Many of these new programs are already in development.

Tenant Database—We have a secure database of Tenant information on the Internet, which our members can access, with a password of their own choosing. This information is Landlord generated so it is very relative to what you look for in Tenant descriptions. This service is also free of charge.

The Rental News—Receive a regularly published newsletter from your SJAOA.

Tradeshaw and Conference—The PMT, Property Management Today, tradeshaw and conference had its birth in Saint John during the fall of 2004. We had a line up 12

exciting conference speakers and seminars. Many businesses had booth exhibits showing the latest in Landlord products and services. The PMT will become a yearly event that will bring you the latest educational opportunities, Landlord market trends and the latest products of interest to

Landlords. The first year for the PMT was a great success and will only get bigger and better as time goes on.

Volunteer Opportunities—Volunteer a little of your time on one of our many exciting committees and help us to get some very important projects completed, and bring more benefit and value to our members. If you are forward thinking and passionate about your business, please volunteer, we would love to have you.

For more information about SJAOA, please contact Scott Stacey, President at 506-632-0501 or via email at sjaoa@nb.sympatico.ca

SJ AOA offers a range of member services including:

- Bad debt collection
- Email services
- Education programs
- Free advertising
- Strong Voice
- Product/service discounts
- Tenant database
- Rental news
- Conference & trade show
- Volunteer opportunities

For more information on joining the CFAA-FCAPI as a Member Association, Corporate or Supplier Member, please contact our Administrative Officer at cfaa@mts.net.

2005 City of Calgary Business License Fees Restructured

By Randy Brown, CAA Codes & Regulations Chair

CAA Editor's preamble: over the past year, Randy Brown has been working diligently with the City of Calgary, on behalf of the CAA and its members, toward a more equitable licensing system.



Recent changes required the input of CAA members - Randy's persistent efforts paid off, and proved two things: First, the City views the CAA as a significant voice. Second, the CAA is hard at work on behalf of our owner/members, helping to ensure fair treatment, and saving you money.

Recently, the City of Calgary revised how it handles business licenses. Basically the license department was told to "get off the mill-rate" and start paying for themselves. The CAA was invited as a stakeholder to a meeting advising of the new fees, which came into effect early in 2004.

In the past business license fees were comprised of three components: a licensing component, a fire inspection component, and

sometimes a police check (depending on the industry). With the new fee system, each of these components was separated, allowing the City to start charging a separate fire inspection fee. Of course, the original licensing fee (about \$75) did not decline and with an additional \$70 per hour (on average) fire inspection fee, the former license fee basically doubled. What made matters worse is that larger buildings were to be charged a \$175 license fee, plus a \$280 fire inspection fee.

While the CAA was not invited to the table early enough to do much about the overall fee structure, we were successful in arguing that the fees were not equitable between large and small buildings. Based on our involvement and discussions with the City, the Licensing Department modified the fee schedule. Now small and large buildings will be treated the same, resulting in real savings to many of our members. The 2005 fee structure for business license renewals will be a flat rate of \$165 (an \$85 business license fee and an \$80 Fire Inspection Fee).

Besides these savings, the most important thing to come out of our efforts is that the

CAA is a highly regarded stakeholder. The City is finally consulting stakeholders on more and more issues and the CAA is more involved now in such processes than ever before.

Randy Brown is the principal of Fahrenheit 451 Fire & Security. A recipient of the CAA's Lifetime Achievement Award, Randy is well known and respected within the residential rental industry as a fire and security expert, representing the CAA in this capacity on many governmental levels. Randy can be reached at 403-312-3473.

The CAA is a highly regarded stakeholder. The City is finally consulting stakeholders on more and more issues and the CAA is more involved now in such processes than ever before.

Winning through mediation: The benefits of using professional mediators

By Kara Killam, Killam Mediation Group, BC AOMA Associate Member

Provincial courts, public and private organizations, and now apartment owners are outsourcing conflict resolution to local mediators. The results are clear: save time, money, and energy while maintaining control and long-term customer satisfaction.



Conflict in the rental business is inevitable. Whether the dispute be among landlords, managers, tenants, strata boards, or trades people, mediated solutions work. When the conflict results in the loss of a tenant, the results can be loss of income, vacancies, repairs, arbitration, and legal fees.

What is Mediation?

Mediation is a voluntary and confidential process in which a neutral person, the mediator, assists two or more parties to meet and resolve a dispute. The mediator clarifies issues, creates an environment for effective communication, and develops options. Mediation unites individuals to reach creative and advantageous agreements.

The following is an example of an actual dispute that occurred in Vancouver:

Bob and Victor's story

Bob and his wife had been good tenants for ten years when Victor and his wife moved in next door. One week later, the landlord received complaints from Bob. Apparently, the new tenants made a lot of noise, including unidentified vibrations coming through the wall, smoked cigars on their deck, and played loud music at all hours. The landlord spoke to Victor on numerous occasions about the quiet culture of the small rental complex, but the problems persisted and the complaints became more frequent. After four months' work to resolve the problem himself, the landlord's frustration peaked. His relationship with

both tenants was strained, and Bob finally advised him that if his concerns weren't addressed, he and his wife would move out. The landlord knew their rental unit should have new carpeting, tiling, and various upgrades. Those renovations guaranteed the rental unit vacancy for at least a month. Most importantly, the likely departure of a valued long-term tenant was simply not good business. The landlord brought in a mediator to resolve the situation.

Here is what the mediator found out:

Bob felt the landlord was indifferent to his tenancy, had been curt, and disregarded how much the new tenants affected his quality of life. In addition, Bob was angry about the length of this ongoing conflict. Victor felt that Bob had been very rude to him on a number of occasions and banged on his walls at all hours of the night. The vibration was discovered to be a fan that Victor had installed in his window and said he could not live without. In general, Victor felt the landlord sided with the longer-term tenant. Both men had had heated arguments on a number of

Mediation unites individuals to reach creative and advantageous agreements. The mediator clarifies issues, creates an environment for effective communication, and develops options.

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CFAA-FCAPI Annual General Meeting & Conference: Vancouver, July 2005

The CFAA-FCAPI will be holding its next Annual General Meeting and Conference this coming July in Vancouver, BC. Plans for the event are underway and it promises to be an exciting event in light of the recent federal activities with respect to housing funding and also due to the increase in our membership.

Lynda Pasacreta and Ron Schuss of BC AOMA are in charge of the event planning, which includes a stay at the beautiful waterfront Harbour Renaissance Hotel in Downtown Vancouver.

There will once again be a number of sponsorship and presentation opportunities, details of which can be obtained by

contacting Lynda (lpasacreta@bcaoma.com), Ron (ronschuss@dorsetrealty.com) or the CFAA office (cfaa@mts.net).

We look forward to another fruitful association planning conference and hope each member association will be able to send at least one representative this July.

New Housing Program Cont'd

(Continued from page 5)

his provincial team have been tremendously helpful in committing to make these first 400 units possible."

"This pilot program will help hundreds of deserving Torontonians find a place to call home. It also creates a framework for cooperation that will help us push forward with other initiatives to address this city's affordable housing crisis," said Mayor Miller.

"The Greater Toronto Apartment Association is pleased to endorse the pilot project advanced by the Toronto Community Foundation," said Brad Butt, CEO of the Greater Toronto Apartment Association. "We believe there will be a good response from landlords to the request for proposals that ensures the 400 units will be taken up by our industry."

Toronto Community Housing will administer the new program. Tenants who are on social housing waiting lists and who are, in some cases, paying more than 50 per cent of their

household income on housing could be eligible to receive housing allowances of approximately \$300 per month, made up of equal contributions by the province and participating Toronto landlords.

We're committed to providing affordable housing to those who need it. Together we are building strong communities with a quality of life that is second to none

Mediation Cont'd

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occasions. Clearly, both Bob and Victor were very angry, and it seemed that Bob had made the decision to leave.

How did the mediator solve this problem?

Mediation removed the landlord from the conflict and provided a confidential, neutral setting in which both parties felt comfortable. The mediator encouraged a pattern of honest and respectful communication. Once the true objections were clear, the issues were negotiated, options evaluated, and an agreement signed: speakers would be set above the floor, redirected, and the sound decreased; cigars would be smoked only during the day when Bob and his wife were not home; and a new quiet fan was purchased for Victor's apartment. The parties left the process with a sense of dignity and shook hands at its conclusion. Both were impressed that the landlord had taken their issues seriously by hiring a specialist and the issue was closed. As the landlord said, "The angry phone calls stopped and I didn't lose any rent!"

When should you call a mediator?

Once you have attempted to handle a dispute without reaching consensus, or if you feel the situation requires a neutral third party, contact a professional. Calling a mediator at the beginning of a dispute will minimize hostility, and illustrate to the tenants that the landlord is serious about dealing with their concerns. Mediation also sets a precedent for all tenants in the

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complex that disputes will be handled fairly and swiftly. As we saw in the example, four months of ongoing conflict, phone calls, and stress could have been avoided if the landlord had called in the mediator from the outset.

What can a landlord gain from mediation?

- **Time Savings:** allows for quick

resolution of disputes, much faster than litigation or ineffective negotiation. Speed de-escalates the problem and builds a cooperative relationship for future matters.

- **Cost Effectiveness:** saves time, avoids vacancies and associated expenses, and is less expensive than litigation.
- **Preservation of Relationship:** builds a lasting and durable solution that ensures the participants feel consulted and validated, and yields a high level of satisfaction.
- **High Success Rate:** continues to prove that disputes submitted to professional mediation services have an 80 % settlement rate.

Whether the dispute be among tenants, contractors, landlords or managers, and you prefer to save yourself time and aggravation, mediation is a valuable resource to stabilize your business investment.

For more information please contact Kara Killam at Killam Mediation Group
Phone: 604-318-1374 or
kara@killammediationgroup.com

CANADIAN FEDERATION OF APARTMENT ASSOCIATIONS

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