On-line Condo Dispute Resolution in British Columbia

Effective July 13, 2016, strata (condominium) disputes in British Columbia can be submitted online to the Civil Resolution Tribunal ("CRT"). The CRT has been established as a cost-effective and timely way to resolve disputes. "CRT encourages a collaborative, problem-solving approach to dispute resolution, rather than the traditional courtroom model."

Currently the CRT has not been fully implemented. While applications for dispute resolution can be submitted, the actual resolution of disputes will not occur until the fall. The BC government is using the early application process as an opportunity to test the on-line process.

The CRT will have the jurisdiction to resolve a wide variety of disputes between strata owners and strata corporations, such as:

- non-payment of monthly strata fees and fines
- unfair actions by the strata corporation
- enforcement or non-enforcement of strata bylaws (such as noise, pets, parking, rentals)
- issues of financial responsibility for repairs and the choice of bids for services
- irregularities in the conduct of meetings, voting, minutes or other matters
- interpretation of the legislation, regulations or bylaws
- issues regarding the common property

However, some condo disputes fall outside the CRT's jurisdiction. The CRT cannot decide matters such as:

- ordering the sale of a strata lot and other matters that affect the land
- orders respecting rebuilding damaged real property
- determining each owner's percentage share in the strata complex
- appointment of an administrator to run the strata corporation
- applications to wind up a strata corporation
- allegations of conflicts of interest by strata council (board) members
- removal of liens
- libel and slander

Here is how the <u>CRT works</u>. Parties are encouraged to use <u>Solutions Explorer</u>, which is an online self-help tool that assists the parties in diagnosing and managing the issues in dispute and hopefully reaching a resolution without implementing the CRT process. The CRT website has a number of user-friendly on-line tools, including a video that explains how Solutions *Explorer* works, sample letters to send to the other party to the dispute, a guide about strata documents and records and where to find them, and an application checklist.

If the dispute cannot be resolved using *Solutions Explorer*, an applicant can file a dispute application. Notice of the dispute is sent to the other party who will have the opportunity to file a response to the dispute. If the dispute cannot be resolved through negotiation between the parties, then a CRT facilitator will try to get the parties to achieve a resolution. If there is no still no resolution of the dispute, then an independent member of the CRT will make a decision which

can be enforced like a court order. The CRT decision maker will consider the written arguments and digital evidence provided by the parties and sometimes telephone and video will be used.

The <u>CRT fees</u> are reasonable and there is a discount for on-line filings. Low income earners can apply for a fee waiver. The CRT has the power to order that the successful party's fees be reimbursed by the other party.

The procedures of the dispute resolution process will be governed by the <u>CRT rules</u>, which have not yet been finalized and are currently just in draft form. While the draft rules are 26 pages, they are simpler and shorter than the rules of civil procedure that govern the courts, with the goal that they will be more accessible and understandable for non-lawyers.

The BC on-line dispute process is a first in Canada. As the process is just in the very initial stages, time will tell as to how effective the CRT will be in resolving condo disputes in a simple and timely manner. Having a user-friendly website and on-line tools and processes that function efficiently is crucial to the success of the CRT. We expect that other jurisdictions will be watching to see the challenges and successes of the CRT. With the proliferation of new condominiums being built, the number of condo disputes will only increase – there needs to be a more efficient, cheaper and quicker way of resolving condo disputes rather than using the court system.