

Via LTB Portal and email: ltbevidence@ontario.ca

May 30, 2025

Ontario Landlord and Tenant Board AGI Unit 255 Albert Street, 4th Floor, Ottawa, ON K1P 6A9

Dear Sir/ Madam:

Re: EVIDENCE – Landlord Reply to Tenants Written Submissions

File Number: LTB-L-076488-23

Address: 165 Ontario Street, St. Catherines, Ontario L2R 5K4

Please be advised that I am the Landlord 's representative in the above matter, and I am writing to you with respect to the above-noted application.

The Residential Complex:

The residential complex consists of one high rise apartment building containing a total of 158 rental units and was constructed circa. 1963, therefore now being over 60 years old. The property was purchased by the Landlord in April of 2021, and the Landlord submits that this is a straightforward application for needed capital expenditures to properly maintain the residential complex.

Response to Tenant's Written Submissions:

Based on the Landlord's review of the file in this matter the Landlord received two written submissions in this matter from two tenants namely Vanessa Wallis and L.D. Blake and the Landlord's response is set out below.

With respect to previous work done to the building, the Landlord cannot comment on work completed by previous owners, but as a general comment, notes that much of the work listed in the submission of L. D. Blake was completed prior to and subsequent to the current Landlord's purchase of the building, was not subject to AGI applications, and that the work completed over the years would be typical for a building of this age.

1. Balcony Restoration Capital Expenditures

As noted in the tenant's submissions, some balcony repair work was apparently done in 2000, 2010 and 2012. The Landlord notes that in Ontario Regulation 516/06, the expected useful life of concrete balconies is 10 years as set out in Table 2 of the Regulation, and as such it was not unusual for work to be required.



Prior to undertaking the balcony repair work, the Landlord retained the services of Hayat Engineering to assess the condition of the balconies as indicated in the invoices from Hayat Engineering filed with this application. Based on the recommendation of the Landlord's engineers, Hayat Engineering prepared tender documents for the required work to be done. As noted in the balcony restoration contract filed by the Landlord, the work included top surface concrete repairs, soffit concrete repairs, through-slab repairs, slab-edge repairs, balcony shear wall repairs, slope improvement repairs, installing approximately 2.5 tons of reinforcing steel, and installing 450 rebar dowels. As well some 3,500 damaged or cracked bricks were replaced as directed by the Landlord's engineer, and this included removing air conditioning openings and bricking them in to prevent water infiltration and cold air infiltration into the building. Finally in addition to the foregoing, the work also included pedestrian traffic topping to prevent slipping on the balconies and applying a sealing paint coating after the concrete restoration was completed to prevent water penetration and to extend the life of the balconies and capital repairs that were completed. From the pictures submitted by the tenants, it is clear that no pedestrian traffic topping was previously applied to the balconies and the balcony soffit (underside) were covered with an incorrect product that was already showing deterioration and bubbling.

The Landlord submits that the work completed for this capital expenditure was not cosmetic, the work constituted structural repairs which were recommended by and supervised by the Landlord's engineers, and that all required building permits were obtained. All coatings and finishes that were applied were recommended by the engineer and will promote that long term structural integrity of the concrete and masonry by properly sealing the same and preventing water penetration which leads to concrete deterioration. The tenants' responses do not provide any evidence from a qualified engineer or other professional that the work was not required and the Landlord submits that this capital expenditure ought to be allowed.

2. Boiler Replacement Capital Expenditure

The Landlord cannot comment on the boilers that were previously replaced in the building or what exactly may have been replaced in 2014. Although gas fired boilers may have an expected useful life of 15 years as set out in Table 13 of the Ontario Regulation 516/06, it is the Landlord's experience that often boilers may need more frequent replacement. There are numerous factors that affect the life of a boiler including the type of boiler installed, the hardness of the water etc.

As noted in the letter dated February 2, 2023, from Sure Fix filed as part of the Landlord's evidence, both the heating and hot water boilers for the building could no longer safely operate and gas compliance notice tags were issued. As well as various failures were noted in the letter requiring replacement of the boilers. It should also be noted this was a mid-winter emergency replacement as this type of work is normally done in the summer months when heating is not required. The new boilers are more energy efficient,



(98% efficiency versus 80% efficiency of the old boilers), and were required to ensure the proper and reliable provision of heat and hot water to the building.

In addition to the foregoing, the Landlord installed a building automation system, to monitor the operation of the boilers, to identify problems with the system, to increase equipment efficiency, to promote energy conservation, and to provide sustainable building management. The foregoing benefits are set out on the last page of the document from PID Controls filed as part of the Landlord's evidence.

The Landlord confirm that it did not receive any grants or rebates with respect to the boiler replacement project.

3. Elevator Modernization Capital Expenditure

As noted in the report dated April 2021, provided by the Landlord's elevator consultants Rooney Irving & Associates Ltd, the elevator equipment in the building was over 50 years old, far exceeding the expected useful life of 20 years as set out in Table 12 of Ontario Regulation 516/06. Given the condition of the elevator equipment the work was immediately tendered and the contract, submitted as part of the Landlord's evidence, was signed in February 2022. The work involved the complete modernization of the elevator equipment as set out in the tender and commissioning documents filed by the Landlord and the necessity for this work does not appear to be in dispute. The Landlord confirms that only the required components were replaced and that any required work to be done to the elevator equipment was done by the maintenance contractor prior to the commencement of the elevator modernization project. As such there are no amounts to be set off for the components installed in the old elevator equipment, and in any event, the parts installed would not be compatible with the new system.

4. Concrete Exterior Stairwell Enclosure Capital Expenditure

Landlord disputes the tenants' assertion that this capital expenditure was not required or that it results in an unsafe situation. The enclosure was recommended by and designed by the Landlord's engineers Hayat Engineering as per page 111 of the supporting documents in the Landlord's application. The Landlord submits that this was required to preserve the structural integrity of the building to prevent ice, snow and rain entering the stairs down to the 3-storey underground parking garage. As well there was an old garbage elevator shaft that was leaking into the building causing structural damage to the stairwell leading down to the parking garage. Again, this work was recommended and deemed necessary by the Landlord's engineers. With respect to any security concerns, it is noted that there is a security camera on the exterior of the enclosure (see photograph E-03 in the tenant's evidence submitted by L.D. Blake) and the enclosure makes the stairs much safer as it prevents the accumulation of water, snow and ice on the stairs.



5. <u>Security Camera and Intercom/ Entry System Capital Expenditure</u>

The Landlord disputes the tenant's submission that new security cameras and a new intercom/ entry system were not required. In addition to the letter provided by the Landlord's Chief Information Officer filed as part of the Landlord's evidence, the following should also be noted:

- a) The new security cameras are also used as a deterrent to potential vandalism and other inappropriate or illegal behaviour which interferes with residences quiet enjoyment of their apartment units.
- b) Camera footage can be properly stored and accessed with the new system and the camera system is not used to monitor people in the building. Camera footage is only accessed when an incident occurs. Recently a staff member was assaulted in the building by a resident and because of the new cameras installed the Landlord was able to identify the resident, provide camera footage to the police, and obtain eviction of the resident in question.
- c) With respect to the new intercom/ entry system, the old system was outdated and was difficult to obtain replacement part for hence the period of outage referred to in the submissions of L. D. Blake. The new system allows the Landlord to control access to the building, can identify who accesses the building, and is integrated with electronic locks/ access control allowing control over access to various parts of the building.

Summation:

The Landlord submits that the supporting documents and additional documents filed justify the capital expenditures claimed in this AGI application. With respect to the tenants' additional submissions, the Landlord's response is as follows:

- 1. The Landlord takes exception to the tenants' response that the Landlord "feels entitled to be dishonest in the attempt to drive up his tenant's rents." This is a transparent process in which all parties can fully participate.
- 2. As noted in the information provided by the Board to the tenants the financial position of the Landlord or the tenants is not a consideration of the Board in these applications.
- 3. Other than opinion evidence provided by the tenants, no evidence had been provided by an engineer or other qualified person that the capital expenditures



incurred by the Landlord do not meet the requirements of the Residential Tenancies Act, 2026 and the regulations thereunder.

All of the foregoing is respectfully submitted by the Landlord as of the date first written above.

Yours Truly

Martin B. Vervoort Senior Legal Counsel InterRent REIT

CC: L. D. Blake, Vanessa Wallis & John Coates

via email to: ldb@ldblake.ca, vanessawallis2@gmail.com, jhn.coates@gmail.com,