

Tenant Final Rebuttal

File Number: LTB-L-076488-23

2025-05-30

In the matter of:

Park Place Equities 2005 LLC
485 Bank Street #207
Ottawa, Ontario
Canada K2P 1Z2

vs.

L. D. Blake (et al)
165 Ontario Street #609
St Catharines, Ontario
Canada L2R 5K4
(905-397-6840)

I am in receipt of the "Landlord's Reply to Tenants Written Submissions" dated 2025-05-30. While it may be unusual to post a second rebuttal, there are a number of issues in the landlord's reply that demand further comment.

First; it should be noted that knowing the building's history and condition prior to the commencement of capital repairs is central to determining whether the work performed was necessary or not. In my Submission, I provided extensive historical information and photographic evidence to give an adjudicator the all important "before picture" that no landlord will provide, especially when that evidence strongly counters the landlord's claims.

Also, much of the previous work I listed has, in fact, been the subject of AGI applications. There have been 4 of them: SOL-26605, SOL-40297-13, SOL-67472-16, and SOL-80883-17. Except for TAB-4 (the Concrete Enclosure) all of this landlord's claimed expenses have also been claimed in one or more of the previous AGIs, three of which which are still in force.

TAB-1 Balcony Restoration

Proof that work was contracted and/or performed is not proof that the work was necessary or beneficial and it certainly does not establish it as an Eligible Capital Expenditure for rent increases.

The applicant's argument is based upon engineering reports not in evidence, from an unnamed engineer. I find it very hard to view this as anything but laughable. One might reasonably expect that if their claim was valid and credible documentation existed, those documents would be their front line evidence.

As the applicant has also noted work was done in 2000, 2010 and 2012. That work was extensive, in fact, each round was more extensive than that performed by this landlord and as the photos in my Submission show, it left the balconies in good condition and not in need of structural repair.

The applicant asserts that none of my evidence comes from a “qualified engineer or other professional”, but *neither does his*.

His reply still falls far short of the Burden of Proof.

TAB-2 Boiler Replacement

Examining the invoices in SOL-67472-16, which is about a previous furnace replacement and those for this claimed capital expenditure reveals that near identical work was supposedly performed both times, including the building automation systems. The claimed lifetime of SOL-67472-16 was barely half over when the applicant duplicated the project.

As noted in my Submission, I am unable to give first person testimony or evidence regarding the claimed boiler replacements. This work was done in secrecy and without notice to the tenants in this building.

In fact, given the secrecy of this project and a stunning lack of evidence, it is fair to question if the furnaces were actually replaced.

Additionally, I do not find the letters from Sure-Fix to be especially compelling. The first letter dated 2023-02-02 speaks of inspection notices, (compliance notice tags), issued against the boiler system. Why are these not in evidence? Do they even exist?

Unfortunately, because of this secrecy and the passage of time, neither they nor I are able to go back and gather the needed information. This item should be dismissed because there is no way to litigate it beyond the applicant's say-so.

TAB-3 Elevator Modernization

The respondents have already agreed that this is most likely an Eligible Capital Expenditure on strength of the pre and post project overviews provided by Rooney Irving and Associates.

Our request for an adjustment in the amount is also based on information from the consultants suggesting this work should not generate large capital expenditures due to maintenance contracts already in place.

I will stand by this position.

TAB-4 Concrete Enclosure

Once again we see these nameless engineers and documents that are not in evidence.

The claim that the enclosure prevents ice, snow and rain getting on the stairs and down into the parking garage would carry a lot more weight if they had put a door on the thing. Plus,

there already were doors at each level of the parking structure that limit the penetration of foul weather into the main parts of the structure.

A security camera on the side of the structure does nothing to stop someone from hiding in the corners (See E03 and E04 of my Submission) and either pouncing on someone or pushing their way into the building; or worse. All one has to do is compare the before and after pictures to see the problem (See E02 and E03).

Once again, the applicant has failed to meet the Burden of Proof on this item, and it does raise questions about tenant safety and security of the premises.

TAB-5 Security and Intercom

On this item the applicant was caught “red handed” trying to manufacture an equipment failure so they could include their fancy new lobby intercom in this AGI.

The law is quite specific about this. The Residential Tenancies Act, part 126(8) says

A capital expenditure to replace a system or thing is not an eligible capital expenditure for the purposes of this section if the system or thing that was replaced did not require major repair or replacement

As I detailed in my Submission, the old intercom was not broken. It was sabotaged. Once the phone line was reconnected, it continued working flawlessly for several months until replaced.

The question of whether the new system “promotes security of the residential complex or part of it” is open to debate.

Having lived with it for a while, I’ve had repeated problems managing the front door access when called from the intercom panel. Others have complained about bad sound quality and the inability to allow their guests into the building. It also uses a smartphone app that will allow an approved user to open the lobby door any time they choose, with or without contact from someone actually in the lobby. A tenant using this application could be on vacation half way round the world and open that lobby door. Then there’s the heightened risk of inappropriate access from it being a remotely managed “online” device.

In my view this is not “promotion of security” it’s much more like the sacrifice of security in the name of convenience. There was nothing wrong with the old intercom.

I don’t necessarily begrudge them updating the intercom and/or cameras, but I do not agree that it should be seen as an Eligible Capital Expenditure and especially not after getting caught playing devious games with the old system.

Summation

I stand by my submission that the applicant has broadly failed to meet the Burden of Proof. As I’ve explained above, he cites facts not in evidence, relies on unnamed sources and has, in fact, submitted no substantial evidence for any of his claims.

The applicant is welcome to protest my allegation that he feels entitled to be dishonest.

InterRent, the applicant's parent company, have been known as a dishonest landlord since 2017, and probably before.

This is never more apparent than in TAB-1 of my Submission (Balconies) where photographic evidence shows that he is in fact attempting to mislead the LTB by posting a false claim worth over a million dollars.

Moreover; if you look at my Motion To Dismiss (Evidence-4368145) filed on 2024-10-24, you will find item D06, an extract from "Above Guideline Increases In The Age of Financialization", on the page numbered 17 you will find:

InterRent REIT has similarly framed AGIs as a strategy for driving higher revenues. The firm's 2017 annual report noted that "there are two ways to capture the upside from capital invested in the REIT's repositioning programs. The first way is achieving market rent on suite turnover, and the second way is through AGIs for existing tenants." AGIs are clearly not understood in relation to the need for certain repairs or a desire to maintain buildings, but as a way to capitalize on (and profit) from investment, over and above its costs. In company reports, InterRent REIT spelled out how AGIs are a revenue-generating strategy, including detailed forecasts for rolling out planned AGI applications to deliver \$1.1 million in revenue generated from rent increases.

In that same Motion, you will find Item D14 which is their "Value Creation Strategy", taken from their June 2021 Investor Presentation, which published very shortly after they acquired this building. Take note that they are describing "Repositioning" which is little more than a euphemism for "Gentrification".

They are using AGIs to sell luxury to their investors, at their tenant's expense.

It is very likely they came into our building with plans to redo balconies, replace furnaces, modernize the elevators, replace the security system etc, all in place before they ever saw the property. Their goal was not to improve the building, it was to file this AGI and take advantage of it to improve their standing with their investors.

Did this building need all the work InterRent did on it?
No. It did not.

Sincerely

A handwritten signature in black ink, appearing to read "LDB" followed by a stylized flourish.