IN THE MATTER between **NTHC**, Applicant, and **TC**, Respondent.

AND IN THE MATTER of the **Residential Tenancies Act** R.S.N.W.T. 1988, Chapter R-5 (the "Act");

AND IN THE MATTER of a hearing before Adelle Guigon, Rental Officer,

**BETWEEN:** 

**NTHC** 

Applicant/Landlord

-and-

TC

Respondent/Tenant

# **REASONS FOR DECISION**

Date of the Hearing: April 5, 2017

<u>Place of the Hearing</u>: Fort Smith, Northwest Territories

**Appearances at Hearing:** CS, representing the applicant

Date of Decision: April 10, 2017

## **REASONS FOR DECISION**

An application to a rental officer made by FSHA on behalf of the NTHC as the applicant/landlord against TC as the respondent/tenant was filed by the Rental Office January 10, 2017. The application was made regarding a subsidized public housing residential tenancy agreement for a rental premises located in Fort Smith, Northwest Territories. The applicant serve the filed application on the respondent by registered mail signed for February 13, 2017.

The applicant alleged the respondent had repeatedly failed to pay rent, had accumulated rental arrears, had caused damages to the rental premises, and had left the rental premises in an unclean condition. An order was sought for payment of the rental arrears, payment of costs for repairs and cleaning, termination of the tenancy agreement, and eviction.

A hearing was scheduled for April 5, 2017, in Fort Smith, Northwest Territories. The rental officer appeared by telephone. CS appeared representing the applicant. TC was served notice of the hearing by registered mail signed for March 31, 2017. The respondent did not appear at hearing, nor did anyone appear on her behalf. The hearing proceeded in the respondent's absence pursuant to section 80(2) of the *Residential Tenancies Act* (the Act).

### **Previous orders**

Rental Officer Order Number 15250 dated December 1, 2016, required the respondent to pay rental arrears in the amount of \$80, which represents the subsidized rent owing for the month of October 2016, and to pay her rent on time in the future.

#### Tenancy agreement

The applicant's representative testified that the respondent had entered into a residential tenancy agreement for subsidized public housing commencing December 9, 2015, at a rental premises located on St. Ann's Street. Due to personal safety concerns in the neighbourhood for the respondent, the applicant agreed to move the respondent from St. Ann's Street to a rental premises located on Wintergreen Street. The respondent moved into the Wintergreen Street premises on September 23, 2016. The applicant's representative testified that the respondent signed a new tenancy agreement at that time, effectively ending the initial tenancy agreement.

Respectfully, I disagree with the applicant's representative's assertion that there are two separate tenancy agreements. Both copies of the written tenancy agreements were entered into evidence. Both tenancy agreements commence December 9, 2015, on a month-to-month basis. All conditions to the tenancy agreement are identical except for Schedule A. Schedule A in the first tenancy agreement identifies the rental premises as the St. Ann's Street property and was initialled by both parties December 9, 2015. Schedule A in the second tenancy agreement identifies both the St. Ann's Street property and the Wintergreen Street property, with the section describing the Wintergreen Street property having been initialled by both parties September 23, 2016. To my mind these actions represent a re-assignment of subsidized public housing rental premises from one unit to another during an existing and ongoing tenancy. Effectively, it was unnecessary for the parties to sign a whole new tenancy agreement when all they really needed to do was initial the revised Schedule A to the tenancy agreement acknowledging the re-assignment of rental premises.

I am satisfied a valid tenancy agreement is in place between the parties for subsidized public housing commencing December 9, 2015, in accordance with the Act.

#### Rental arrears

The lease balance statements entered into evidence represent the landlord's accounting of monthly assessed rents and payments made against the respondent's rent account. All rents have been subsidized based on reported household income and are currently assessed at \$80 per month. The last two payments received against the rent account were recorded March 20, 2017, in the amount of \$500, and September 23, 2016, in the amount of \$240. The latter amount was accounted for in Rental Officer Order Number 15250. The former amount resolves the amount owing under Rental Officer Order Number 15250; the balance would then be applied against the rental arrears accumulated since October 2016.

I am satisfied the lease balance statements accurately reflect the current status of the respondent's rent account. I find the respondent has repeatedly failed to pay her rent on time, has failed to comply with an order of the Rental Officer to pay her future rent on time, and has accumulated rental arrears in the amount of \$60.

### Repairs and cleaning

The applicant's representative testified and provided evidence in support of a claim for costs related to cleaning and repairing damages to the rental premises on St. Ann's Street. The respondent moved from the St. Ann's Street property on September 23, 2016. An exit inspection report was completed on that date in the respondent's presence. The applicant issued work orders to complete the following repairs and cleaning for which they are now seeking compensation from the respondent:

Replace one damaged interior door	\$197.03
Replace/repair five damaged window screens and one set of curtain rods	\$341.00
Repair two exterior storm doors	\$251.42
Repair holes and dents in the walls	\$240.00
Cleaning: stove/oven, refrigerator, bathroom counter top and cabinets, and bedrooms 2 and 3 flooring	\$160.00

A review of the entry inspection report for the St. Ann's Street property against the exit inspection report identified two relatively minor discrepancies: one of the damaged window screens was reported damaged at entry, and one of the exterior storm doors was reported damaged at entry. All of the remaining claims are made out.

I am satisfied the respondent failed to adequately clean the rental premises upon vacating and caused the reported damages, not including one of the window screens and one of the exterior storm doors. I find the respondent liable to the applicant for costs of repairs and cleaning as follows:

Replacement of one damaged interior door	\$197.03
Replacement/repair of four damaged window screens and one set of curtain rods	\$284.15
Repair of one exterior storm door	\$125.71
Repair of holes and dents in walls	\$240.00
Cleaning	\$160.00
TOTAL	\$1,006.89

### Security deposit

The respondent had paid a security deposit totalling \$1,000 in three installments: \$500 paid December 11, 2015; \$250 paid January 11, 2016; and \$250 paid March 3, 2016. The security deposit plus interest of \$1,000.33 was retained by the applicant against the claimed costs of repairs and cleaning of the St. Ann's Street property. A new security deposit of \$1,000 was charged to the respondent September 20, 2016, immediately prior to the respondent's move from the St. Ann's Street property to the Wintergreen Street property.

Having given it some thought, in my opinion this is an appropriate application of the security deposit in the circumstances of this tenancy. The purpose of a security deposit is to have some security against rental arrears or damages identified at the end of a tenancy. While I am not satisfied that the tenancy agreement between the parties was ended when the respondent moved out of the St. Ann's Street property, I am satisfied that her occupancy of the St. Ann's Street property ended when she took occupancy of the Wintergreen Street property. In this case, the security deposit may not be retained against the rental arrears because the tenancy as a whole continues uninterrupted, but it seems reasonable to me that it could be retained against the cleaning and repairs costs for the St. Ann's Street property and I am prepared to allow that. I am also satisfied under the circumstances that the new charge of \$1,000 for a security deposit against the Wintergreen Street property is appropriate and should be paid by the respondent. I am not prepared to issue an order for the respondent to pay the new security deposit at this time as I have no evidence to support that the respondent has been made aware of the charge.

### Termination of the tenancy agreement and eviction

In consideration of the respondent's failure to comply with a rental officer order and her repeated failure to comply with her obligation to pay her rent in full when due, I am satisfied termination of the tenancy agreement and eviction are justified conditionally on the respondent successfully paying the full amount of rental arrears and paying her rent on time in the future.

### Orders

An order will issue: requiring the respondent to pay rental arrears in the amount of \$60; requiring the respondent to pay her rent on time in the future; requiring the respondent to pay the remaining costs of repairs and cleaning in the amount of \$6.56; terminating the tenancy agreement July 31, 2017, unless the rental arrears are paid in full and the rents for May, June, and July are paid in full and on time; and evicting the respondent from the rental premises on August 1, 2017, if the termination of the tenancy agreement becomes effective.

Adelle Guigon Rental Officer