

IN THE MATTER between **NTHC**, Applicant, and **BM**, 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-

BM

Respondent/Tenant

REASONS FOR DECISION

Date of the Hearing: February 8, 2018

Place of the Hearing: Tulita, Northwest Territories

Appearances at Hearing: SD, representing the applicant
BM, respondent

Date of Decision: February 8, 2018

REASONS FOR DECISION

An application to a rental officer made by THA on behalf of the NTHC as the applicant/landlord against BM as the respondent/tenant was filed by the Rental Office October 27, 2017. The application was made regarding a residential tenancy agreement for a rental premises located in Tulita, Northwest Territories. The filed application was personally served on the respondent January 12, 2018.

The applicant alleged the respondent had repeatedly failed to pay his rent, had accumulated rental arrears, and had failed to report household income as required. An order was sought for payment of the rental arrears, payment of future rent on time, termination of the tenancy agreement, and eviction.

A hearing was scheduled for February 8, 2018, in Tulita. The Rental Officer appeared by telephone. SD appeared representing the applicant. BM appeared as respondent.

Tenancy agreement

The parties agreed and evidence was presented establishing a residential tenancy agreement between the parties for subsidized public housing commencing August 21, 2014. I am satisfied a valid tenancy agreement is in place in accordance with the *Residential Tenancies Act* (the Act).

Reporting of household income

Subsection 45(1) of the Act specifies that the tenant must comply with additional obligations set out in a written tenancy agreement.

Paragraph 6 of the written tenancy agreement sets out the tenant's obligation to report his total household income whenever and as often as the landlord requests and in the form prescribed by the landlord.

Paragraph 7 of the written tenancy agreement establishes the tenancy as one for subsidized public housing and agrees that as long as the tenant is not in breach of any of the conditions of the tenancy agreement then the tenant will be eligible for rent subsidies.

The applicant's policy respecting rent subsidies is to require tenants to submit their annual tax returns for the prior taxation years from which the rent subsidy will be calculated for the current July to June period. For example, the subsidized rent for July 2017 to June 2018 would be calculated based on the tenant's 2016 income as reported in the tenant's income tax return. If the tenant's income tax return is not filed by June 30th then the rent subsidy cannot be calculated and the tenant is charged the maximum monthly rent until the income tax return is filed.

In this case, the applicant testified that despite notices to the respondent sent both before and after the June 30th due date requesting respondent's 2016 income information, the respondent still had not filed his taxes. The respondent acknowledged that he has yet to file his 2016 taxes, claiming some form of conflict with Canada Revenue Agency. However, he accepted responsibility for his obligation to report his household income as required and agreed to make concerted efforts to resolve the tax reporting issue as soon as possible.

I find the respondent has failed to comply with his obligation to report his total household income in accordance with paragraph 6 of the written tenancy agreement.

Rental arrears

The lease balance statements entered into evidence represent the landlord's accounting of monthly assessed rents and payments received against the respondent's rent account. All rents up to and including for June 2017 were subsidized and last assessed at \$325 per month. The rents since July 2017 have been assessed the maximum monthly rent of \$1,445 due to the respondent's failure to report his total household income as required. The last payment received against the respondent's rent account was recorded August 11, 2016, in the amount of \$160.

The respondent did not dispute the accuracy of the landlord's accounting, acknowledging his debt and accepting responsibility for it.

I am satisfied the lease balance statement accurately reflects the current status of the respondent's rent account. I find the respondent has repeatedly failed to pay his rent and has accumulated rental arrears in the amount of \$16,550.

Cleaning

At hearing, the applicant's representative made submissions claiming cleaning costs in the amount of \$578.50. In June 2017 the respondent was transferred from Unit 71 to Unit 80 so that the applicant could effect renovations to Unit 71. In November 2017, after the renovations were completed, the respondent was transferred back to Unit 71. An exit inspection was conducted at Unit 80 on November 20, 2017, which documented that the premises had not been adequately cleaned when the respondent vacated. The applicant hired a house cleaner to return the premises to a state of ordinary cleanliness, costing \$587.50.

The respondent did not dispute the applicant's claims, acknowledging that he had failed to clean Unit 80 when he transferred back to Unit 71 and accepting responsibility for the cleaning costs claimed.

I am satisfied the respondent failed to maintain the ordinary cleanliness of Unit 80. I find the respondent liable to the applicant for costs of cleaning Unit 80 in the amount of \$587.50.

Termination of the tenancy agreement and eviction

In light of the respondent's repeated failure to pay his rent, the substantial amount of rental arrears accumulated (whether subsidized or not), and the respondent's failure to comply with his obligation to report his household income as required, I am satisfied termination of the tenancy agreement is justified. The parties agreed that conditional termination and eviction dependent on the respondent reporting his 2016 income and paying his future rent on time would be a reasonable compromise in the circumstances.

Orders

An order will issue:

- requiring the respondent to pay rental arrears in the amount of \$16,550;
- requiring the respondent to pay his future rent on time;
- requiring the respondent to comply with his obligation to report his household income in accordance with paragraph 6 of the written tenancy agreement, and not to breach that obligation again;
- requiring the respondent to pay costs of cleaning in the amount of \$578.50;
- terminating the tenancy agreement May 31, 2018, unless the household income for the 2016 taxation year is reported to the applicant and the rents for March, April, and May are paid on time; and
- evicting the respondent from the rental premises June 1, 2018, if the termination of the tenancy agreement becomes effective.

Adelle Guigon
Rental Officer