

IN THE MATTER between **NTHC**, Applicant, and **GK and BK**, Respondents.

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-

GK and BK

Respondents/Tenants

REASONS FOR DECISION

Date of the Hearing: November 4, 2021

Place of the Hearing: Yellowknife, Northwest Territories

Appearances at Hearing: DT, representing the Applicant

BK, Respondent

GK, Respondent

JK, on behalf of the Respondents

MM, North Slavey Interpreter, for the Respondents

Date of Decision: November 4, 2021

REASONS FOR DECISION

An application to a rental officer made by DHA on behalf of the NTHC as the Applicant/Landlord against GK and BK as the Respondents/Tenants was filed by the Rental Office May 12, 2021. The application was made regarding a residential tenancy agreement for a rental premises located in Deline, Northwest Territories. The filed application was personally served on the Respondents May 26, 2021.

The Applicant alleged the Respondents had repeatedly failed to pay rent in full when due, had accumulated rental arrears, and had failed to comply with a rental officer order to pay rental arrears and to pay future rent on time. An order was sought for payment of the rental arrears, payment of future rent on time, termination of the tenancy, and eviction.

A hearing scheduled for June 29, 2021, was postponed by the Rental Officer. The hearing was re-scheduled to July 20, 2021, which the parties appeared at, but was adjourned *sine die* at the Respondents' request so that they could seek the advice and assistance of their MLA's office. The hearing was held November 4, 2021, by three-way teleconference. DT appeared representing the Applicant. BK and GK appeared as Respondents, with their daughter JK appearing on their behalf. MM appeared to provide North Slavey interpretation for the Respondents.

Tenancy agreement

Evidence was presented establishing a residential tenancy agreement between the parties for subsidized public housing. The written tenancy agreement entered into evidence began April 1, 2012, however the parties agreed at the hearing that this tenancy in fact began many years earlier. I am satisfied a valid tenancy agreement is in place in accordance with the *Residential Tenancies Act* (the Act).

Previous orders

Rental Officer Order #20-12095 issued June 29, 2011, ordered the Respondents to pay rental arrears that had accumulated in the amount of \$20,983. That order has been filed at the Supreme Court, although it has not yet been fully satisfied and remains enforceable.

Rental Officer Order #16496 issued May 22, 2019, ordered: the Respondents to pay rental arrears that had accumulated since the last Rental Officer order was issued in the amount of \$2,067.56; the Respondents to pay their rent on time in the future; termination of the tenancy August 31, 2019, unless at least \$375 was paid each month towards the rental arrears and the monthly subsidized rents for June, July, and August were paid on time, and eviction September 1, 2019, if the termination of the tenancy became effective. The Respondents complied with the conditions of the order to render the termination ineffective, but the monetary order has not been satisfied and remains enforceable if filed with the Supreme Court by May 2022.

Rental arrears

The lease balance statement entered into evidence represents the Landlord's accounting of monthly rents and payments received against the Respondents' rent account. All rents have been subsidized and last assessed at \$790 per month. Either insufficient payments or no payments were received in eight of the last 12 months of the tenancy.

The current total balance of rental arrears is \$18,823.94. All payments made since Rental Officer Order #16496 was issued total \$16,138.61. By applying that amount against the total arrears as of May 22, 2019, of \$18,797.55, there remains \$591.38 owing under Rental Officer Order #20-12095 and the full ordered amount of \$2,067.56 owing under Rental Officer Order #16496. This calculation results in rental arrears accumulated since May 22, 2019, in the amount of \$16,165.

The Respondents struggled to understand how they still had so much rental arrears when they had been trying to pay them. They requested and received confirmation that their rent subsidies are calculated based on the total household income, which means for all adults living in the household. The rent subsidies evident in the lease balance statement have fluctuated over the years reflecting periods when their adult children would live with the Respondents. Attempts were made to explain that while the Respondents did make payments towards their rent account, the payments frequently were not for enough to cover the subsidized rent for a given month let alone any extra to go towards the accumulated arrears, and there are many months in which no payments were made at all. The Respondents testified that they are trying their best to pay their arrears, but are finding it frustrating to see such a small change to the total amount owing.

Since the adjourned hearing, the Respondents had sought advice from various parties and met with the Applicant's representative. It appears there are promising sources of financial assistance that may be available to the Respondents to reduce their arrears which they were encouraged to continue exploring. An agreement was made for the Respondents to pay their monthly subsidized rent plus \$50 every month. Both the Applicant's representative confirmed the Landlord is satisfied with that agreement, and the Respondents confirmed their commitment to comply with the payment plan. It was further clarified that based on the current subsidized rent amount of \$790 the total monthly payments due would be \$840. The Respondents agreed to pay \$840 every month towards the rent and rental arrears, and then being satisfied that the payment plan had been agreed to they promptly and without announcement left the hearing, leaving their daughter to continue speaking on their behalf.

The Respondents daughter was encouraged to continue explaining to her parents that although the income of their adult children who reside with them from time to time affects the amount of the Respondent's rent subsidy, and that it may be prudent when that happens for the Respondents to request financial assistance from their adult children to help pay the rent, the Respondents are the only ones who are responsible as the Tenants for making sure the rent gets paid every month. She was also encouraged to make sure her parents followed through on seeking other financial supports to reduce the balance of arrears.

Given that the rental arrears have effectively been carried forward over many years, and given the efforts being made and commitments given by the Respondents to make regular monthly payments, and given the Respondent's efforts to seek financial assistance, I am not satisfied that it would be practical at this stage to terminate the tenancy, even conditionally. The Applicant's representative understood and agreed, conceding that if the Respondents did not comply with their commitments the Applicant could choose to make a new application to a rental officer. It was clarified for the Respondents' benefit that should they fail to comply again with their obligations respecting making payments to the rent and arrears an application for termination of the tenancy and eviction would be more likely to be successful.

The Applicant's representative asked that the payment plan the parties had entered into be incorporated into the order to pay the rental arrears.

I am satisfied the lease balance statement accurately reflects the current status of the Respondents' rent account. I find the Respondents have repeatedly failed to pay rent in full when due, have failed to comply with a Rental Officer order to pay future rent on time, and have accumulated subsidized rental arrears in the total amount of \$18,823.94, of which \$16,165 has accumulated since the last Rental Officer order was issued.

Orders

An order will issue requiring the Respondents to pay the rental arrears that have accumulated since the last Rental Officer order was issued in the amount of \$16,165 in minimum monthly installments of \$50 starting in December 2021 (p. 41(4)(a), ss. 84(2)) and requiring the Respondents to pay their rent on time in the future (p. 41(4)(b)).

Adelle Guigon
Rental Officer