

IN THE MATTER between **NTHC**, Applicant, and **WM and VBM**, 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-

WM and VBM

Respondents/Tenants

REASONS FOR DECISION

<u>Date of the Hearing:</u>	October 27, 2021
<u>Place of the Hearing:</u>	Yellowknife, Northwest Territories
<u>Appearances at Hearing:</u>	EM, representing the Applicant
<u>Date of Decision:</u>	October 27, 2021

REASONS FOR DECISION

An application to a rental officer made by FLHA on behalf of the NTHC as the Applicant/Landlord against WM and VBM as the Respondents/Tenants was filed by the Rental Office September 24, 2021. The application was made regarding a residential tenancy agreement for a rental premises located in Fort Liard, Northwest Territories. The filed application was sent to on the Respondents by registered mail deemed served October 19, 2021, pursuant to subsection 71(5) of the *Residential Tenancies Act* (the Act).

The Applicant alleged the Respondent had repeatedly failed to pay rent when due, had accumulated rental arrears, and had failed to report the total household income as required. An order was sought for payment of the rental arrears, termination of the tenancy, and eviction.

A hearing was held October 27, 2021, by three-way teleconference. EM appeared representing the Applicant. WM and VBM were sent notices of the hearing by registered mail deemed served October 19, 2021. The Respondents did not appear at the hearing, nor did anyone appear on the Respondents' behalf. The hearing proceeded in the Respondents' absence pursuant to subsection 80(2) of the Act.

Tenancy agreement

Evidence was presented establishing a residential tenancy agreement between the parties for subsidized public housing commencing March 1, 2016. I am satisfied a valid tenancy agreement is in place in accordance with the Act.

Rental arrears and household income

The lease balance statement entered into evidence represents the Landlord's accounting of monthly rent and payments received against the Respondent's rent account. All rents up to and including June 2021 were subsidized and last assessed at \$75. The rents since July 2021 have been unsubsidized and charged the maximum monthly rent of \$1,545 due to the Respondents failure to report the 2020 income for any of the adult household members. No payments have been received in 10 of the last 12 months of this tenancy.

The lease balance statement included charged for damages which were not applied for. The damages arrears of \$1,948.82 were deducted from the lease balance statement.

Section 6 of the written tenancy agreement requires tenants in subsidized public housing to report their total household income as and when required by the Landlord. The Applicant requires the household income to be reported annually with the submission of the adult occupants' income tax returns for the prior calendar year. In this case, the Respondents were required to file their 2020 tax returns before the end of June 2021 in order for their rent subsidy for July 2021 to June 2022 to be assessed. The Respondents have neither filed their taxes nor reported their household income for the 2020 calendar year. Consequently, the rent subsidy cannot be calculated and the maximum monthly rent has been appropriately charged.

I am satisfied the adjusted lease balance statement accurately reflects the current status of the Respondents' rent account. I find the Respondents have failed to comply with their obligation to report the total household income as required, have repeatedly failed to pay their rent, and have accumulated rental arrears in the amount of \$6,185. That amount represents approximately four months' unsubsidized rent.

Termination of the tenancy and eviction

In light of the Respondents' repeated failure to pay the rent and the substantial amount of rental arrears that have accumulated, I am satisfied termination of the tenancy and eviction are justified. It was acknowledged that the reporting of the household income could result in a retroactive rent subsidy assessment which would affect the rental arrears balance. However, that would not address the historical pattern of failing to pay the rent in full and when due. By agreement with the Applicant, the termination and eviction orders will be conditional on the Respondents reporting their 2020 household income, paying the rental arrears in full, and paying their future rent on time.

Orders

An order will issue:

- requiring the Respondents to pay rental arrears in the amount of \$6,185 (p. 41(4)(a));
- requiring the Respondents to pay their future rent on time (p. 41(4)(b));
- requiring the Respondents to comply with their obligation to report the household income (p. 45(4)(a));

- terminating the tenancy January 31, 2022, unless the household income for the 2020 calendar year is reported to the Landlord, the rental arrears are paid in full, and the monthly subsidized rents for November, December, and January are paid on time (p. 41(4)(c), p. 45(4)(e), ss. 83(2)); and
- evicting the Respondents from the rental premises February 1, 2022, if the termination of the tenancy becomes effective (p. 63(4)(a), ss. 83(2)).

Adelle Guigon
Rental Officer