

IN THE MATTER between **NTHC**, Applicant, and **DB, DC, and DC**, 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-

DB and DC and DC

Respondents/Tenants

REASONS FOR DECISION

Date of the Hearing: December 16, 2021

Place of the Hearing: Yellowknife, Northwest Territories

Appearances at Hearing: AS, representing the Applicant

Date of Decision: December 16, 2021

REASONS FOR DECISION

An application to a rental officer made by HRHA on behalf of the NTHC as the Applicant/Landlord against DB, DC, and DC as the Respondents/Tenants was filed by the Rental Office November 16, 2021. The application was made regarding a residential tenancy agreement for a rental premises located in K'atlodeeche First Nation, Northwest Territories. The filed application was served on the Respondents by registered mail signed for December 13, 2021.

The Applicant alleged the Respondents had repeatedly failed to pay rent in full when due, 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, compliance with the obligation to report household income and not to breach that obligation again, and termination of the tenancy.

A hearing was held December 16, 2021, by three-way teleconference. AS appeared representing the Applicant. DB, DC, and DC were served notice of the hearing by registered mail signed for December 13, 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 *Residential Tenancies Act* (the Act).

Tenancy agreement

Evidence was presented establishing a residential tenancy agreement between the parties for subsidized public housing commencing March 1, 2017. I am satisfied a valid tenancy agreement is in place in accordance with the Act.

Household income

Section 45(1) of the Act requires tenants to comply with additional obligations that are included in a written tenancy agreement.

Section 6 of the written tenancy agreement requires tenants to report the total household income for all adult occupants as and when required. The subsidized public housing landlord requires annual reporting of total household income for the prior calendar year to be received by the end of June each year.

The Applicant testified and provided documentary evidence confirming that while DC's 2020 income was reported as required, DB's 2020 income was not reported until some time in October 2021 and DC's 2020 income has not to date been reported. This is despite several conversations and notices from the Landlord regarding the issue. The Applicant further identified the probable issue of CERB payments complicating the subsidy assessment process.

The reporting of household income is required in order for the Landlord to calculate the applicable rent subsidies for the tenancy. If the total household income is not reported the rent subsidy cannot be calculated, in which case the maximum unsubsidized rent is charged until the total household income is reported. Once the income is reported the rent subsidy is assessed retroactively to July. The introduction of CERB payments in response to the COVID-19 pandemic makes it difficult to assume what the changes to the household income might be and how they might affect the value of the assessed rent subsidy, rendering an estimate of the likely rent subsidy by the Rental Officer impractical.

I am satisfied DC has failed to report her 2020 income to the Applicant. I find the Respondents have failed to comply with their obligation to report the total household income as required.

Rental arrears

The lease balance statement entered into evidence represents the Landlord's accounting of monthly subsidized rents and payments received against the Respondents' rent account. All rents up to and including June 2021 were subsidized and assessed at \$75 per month. All rents since July 2021 have been unsubsidized at a rate of \$1,545 per month. The unsubsidized rent has been charged due to the Respondents' failure to report the total household income for the 2020 calendar year as required. Either insufficient amounts or no payments were received in 7 of the last 12 months of the tenancy, with the last payment recorded September 23, 2021, in the amount of \$150.

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 the full amount of rent when due and have accumulated rental arrears in the amount of \$8,869.50. That amount represents approximately six months' unsubsidized rent.

Termination of the tenancy

In light of the Respondents' failure to report their total household income as required, the Respondents' repeated failure to pay the rent in full when due, and the substantial amount of rental arrears that have accumulated, I am satisfied termination of the tenancy is justified. By agreement with the Applicant's representative, the termination order will be conditional on the Respondents reporting DC's 2020 income, paying the subsidized rental arrears in full, and paying future rent on time.

Orders

An order will issue:

- requiring the Respondents to pay rental arrears in the amount of \$8,869.50 (p. 41(4)(a));
- requiring the Respondents to pay their future rent on time (p. 41(4)(b));
- requiring the Respondents to comply with the obligation to report their total household income as and when required, and not to breach that obligation again (p. 45(4)(a), p. 45(4)(b)); and
- terminating the tenancy March 31, 2022, unless DC's 2020 income is reported, the subsidized rental arrears are paid in full, and the monthly subsidized rents for January, February, and March are paid on time (p. 41(4)(c), p. 45(4)(e), ss. 83(2)).

Adelle Guigon
Rental Officer