

IN THE MATTER between **NTHC**, Applicant, and **AM**, 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 **Janice Laycock**, Rental Officer,

BETWEEN:

NTHC

Applicant/Landlord

-and-

AM

Respondent/Tenant

REASONS FOR DECISION

<u>Date of the Hearing:</u>	January 26, 2022
<u>Place of the Hearing:</u>	Yellowknife, Northwest Territories
<u>Appearances at Hearing:</u>	MU, representing the Applicant AM, the Respondent
<u>Date of Decision:</u>	January 26, 2022

REASONS FOR DECISION

An application to a rental officer made by the FRHA on behalf of the NTHC as the Applicant/Landlord against AM as the Respondent/Tenant was filed by the Rental Office on December 22, 2021. The application was made regarding a residential tenancy agreement for a rental premises located in Fort Resolution, Northwest Territories. The filed application was served on the Respondent by registered mail signed for January 14, 2022.

The Applicant claimed the Respondent had accumulated rental arrears and was responsible for causing damages to the rental premises. An order was sought for payment of rental arrears, payment of rent on time in the future, payment of costs related to repairs of damages, termination of the tenancy agreement and eviction.

A hearing was held on January 26, 2022, by three-way teleconference. MU appeared representing the Applicant. AM appeared as the Respondent.

Previous order

Rental Officer Order #15870 was issued March 7, 2018, and ordered the Respondent to pay rental arrears of \$39,697, order the Respondent to pay rent on time in the future, and ordered the conditional termination of the tenancy agreement on September 30, 2018, unless at least \$300 of the arrears were paid and the rents for April to September 2018 were paid on time. At the hearing the Applicant testified that the tenancy had not been terminated as provided for in this order.

Tenancy agreement

Evidence was provided establishing a tenancy agreement between the parties commencing on July 1, 2014, and continuing month to month. I am satisfied a valid tenancy agreement is in place in accordance with the *Residential Tenancies Act* (the Act).

Damages

The Applicant provided evidence and testified about the repair of four windows broken by the Respondent. They provided photos of the damages and a copy of Work Order #TD 316922 detailing labour and materials to replace three windows, as well as an estimate of the costs to replace the other window when it arrived and the weather would allow the work to continue. The total cost claimed is \$1,219.76 including materials and labour.

The Respondent testified when they received the filed application it was the first time they had seen the charges, however they agreed that they were responsible for the damages and would make arrangements to pay them off. The Applicant stated they had not invoiced the Respondent for this amount and so it was not included in the lease balance statement, but as they were in the process of making an application to the Rental Officer decided to include it in this application.

I am satisfied based on the evidence and testimony provided that the Respondent is responsible for the claimed damages. I find the costs claimed to repair the damages reasonable and will order the Respondent to pay the costs of repairs in the amount of \$1,219.76.

Rental arrears

The updated lease balance statement printed on January 25, 2022, and provided as evidence represents the Landlord's accounting of monthly rents and payments received against the Respondent's rent account. According to this statement the subsidized rent was assessed at \$150 for June 2021, but increased to the full market rent of \$1,545 as of July 2021.

The Applicant claimed the Respondent had rental arrears as of January 25, 2022, in the amount of \$47,402. At the hearing this amount was broken down into the amount previously ordered under Rental Officer Order #15870 for \$39,697, minus \$2,295 in payments on those arrears, leaving a balance owing under that order of \$37,402. When this amount is deducted from the balance on the statement, the amount currently owing for rental arrears that have accumulated since the last Rental Officer order amounts to \$10,000.

At the hearing the Applicant asked that the Respondent's monthly payments towards the rental arrears ordered paid under Rental Officer Order #15870 be increased from the \$50 per month reflected in paragraph 3 of that order. I told the Applicant I did not have authority under the Act to change the terms of previously issued orders.

Under subsection 84(2) of the Act a rental officer may make an order requiring the tenant to pay the ordered compensation in specified monthly amounts in addition to the monthly rent for a specified period of time until the compensation is paid in full. Under subsection 84(3) of the Act a rental officer may rescind an order under issued under subsection 84(2) and may order the amount owing to be paid in a lump sum.

Rental Officer Order #15870 ordered the lump sum payment of rental arrears; it did not include a minimum monthly payment plan as contemplated under subsection 84(2) of the Act.

Adjustments to any payment plans entered into between the Landlord and the Tenant to address the ordered lump sum payment of rental arrears would have to be arranged between the parties.

The Applicant also testified and provided evidence of repeated notices to the Respondent about the arrears and requests for household income information. On October 21, 2021, the Respondent signed a last chance agreement, agreeing to report income by October 29, 2021, but did not do so.

Household income information is required under section 6 of the tenancy agreement, which says:

6. Tenant's Income

The Tenant promises to provide the Landlord, or any agent of the Landlord specified to the Tenant in writing, with an accurate report of the Tenant's income, the income of all other authorized occupants of the Premises, and the names, ages and gender of all persons who will occupy the Premises at such times and in such forms as may be specified by the Landlord from time to time.

As the Respondent did not provide the required household income information they breached the terms of their tenancy agreement. As a result, they were no longer eligible for the rent subsidy referenced under section 7 of the tenancy agreement and were therefore charged the full market rent of \$1,545 per month.

At the hearing the Applicant testified the Respondent had now provided the household income information required to re-assess their rent subsidies and that re-assessment was currently in progress. They expected this re-assessment would result in a recalculation of the Respondent's subsidized rent retroactive to July 2021. As it was evident that a recalculation of subsidized rent and rental arrears was forthcoming, I adjourned the hearing of these issues, as well as the related requests for termination of the tenancy and eviction, to a later date.

Issues raised by the tenant

At the hearing the Respondent expressed concern about the condition of their rental premises. Subsection 68(2) of the the Act says:

68. (2) At a hearing of an application to terminate a tenancy or to evict a tenant, a rental officer may permit a tenant to raise any issue that could be the subject of an application under this Act, and the rental officer may, if he or she considers it appropriate in the circumstances, make an order on that issue.

As their Landlord had not previously heard about the issues raised and was not prepared for these claims, I suggested the Respondent talk with the Landlord about her concerns. If no resolution is possible they could raise these issues when the hearing resumes. If they choose to do that they would need to provide documentation to the Rental Office and the Landlord prior to the hearing detailing the concerns.

Orders

An order will issue requiring the Respondent to pay costs related to repairs of damages in the amount of \$1,219.76.

Janice Laycock
Rental Officer