

IN THE MATTER between **NF**, Applicant, and **GT**, 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:

NF

Applicant/Landlord

-and-

GT

Respondent/Tenant

REASONS FOR DECISION

Date of the Hearing: May 18, 2022

Place of the Hearing: Yellowknife, Northwest Territories

Appearances at Hearing: RP, representing the Applicant
GT, the Respondent
LB, Justice Coordinator, in support of the Respondent
ST, in support of the Respondent

Date of Decision: May 18, 2022

REASONS FOR DECISION

An application to a rental officer made by NF as the Applicant/Landlord against GT as the Respondent/Tenant was filed by the Rental Office February 25, 2022. The application was made regarding a residential tenancy agreement for a rental premises located in Yellowknife, Northwest Territories. The filed application was served on the Respondent by email deemed received April 8, 2022, pursuant to subsection 4(4) of the *Residential Tenancies Regulations* (the Regulations).

The Applicant alleged the Respondent had repeatedly failed to pay rent and had accumulated rental arrears. An order was sought for payment of the rental arrears, termination of the tenancy, and eviction.

The hearing was scheduled for in-person appearance on April 20, 2022. RP appeared representing the Applicant. GT was served with notice of that hearing by email deemed received April 8, 2022. The Respondent did not appear at the hearing, nor did anyone appear on his behalf.

At that hearing, it was noted that GC was identified in the written tenancy agreement as a joint tenant. The hearing was adjourned *sine die* pending verification of GC's interest in the tenancy. The Applicant confirmed on May 3, 2022, that he had spoken with GC, who confirmed that he was a co-signer to the tenancy but had never been a resident of the premises and, therefore, had no direct interest in the tenancy. The Applicant confirmed that they would like to proceed with the Application against GT alone.

The hearing was rescheduled and held May 18, 2022, by three-way teleconference. RP appeared representing the Applicant. GT appeared as the Respondent. LB, the Justice Coordinator for the YDFN, appeared to support the Respondent. ST, the Respondent's mother and GC's wife, also appeared to support the Respondent.

Tenancy agreement

Evidence was presented establishing a residential tenancy agreement between the parties commencing June 1, 2021. I am satisfied a valid tenancy agreement is in place in accordance with the *Residential Tenancies Act* (the Act).

Rental arrears

The lease ledger entered into evidence represents the Landlord's accounting of monthly rents, late payment penalties, and payments received against the Respondent's rent account. The rent was established at \$1,575 per month. Late payment penalties have been calculated in accordance with the Act and Regulations. There was one large payment of \$3,150 made by the YWCA on behalf of the Respondent on June 7, 2021, covering the rents for June and July. No payments were made against the rent account for the next five months. Canada-NWT Housing Benefit (CNHB) rent subsidy payments of \$800 each began in January 2022, but no other payments for the remainder of each month's rent have been made. In summary, there have been no payments made in 5 of the last 10 months of this tenancy, and there have been insufficient payments made in the other 5 months. Rental arrears have accumulated to \$11,986.

The Respondent did not dispute the accuracy of the lease ledger, acknowledging the debt and accepting responsibility for it. He explained that he had been unemployed and his employment insurance ran out, but he could not explain why he was unable to prioritize payments towards his rent or attempt to communicate with the Landlord about his situation or to make alternate payment arrangements. The Respondent did take successful steps to access the CNHB funding program resulting in a one-year rent subsidy of \$800 per month, but failed to supplement those payments with his own. Recently the Respondent has made more concerted efforts to reach out to the community and his family for further support, as evidenced by the attendance of the YDFN Justice Coordinator and the Respondent's mother.

The Respondent confirmed that he is starting full-time employment next week and committed to paying \$1,000 biweekly plus another \$1,000 per month towards the rent account. Including the \$800 rent subsidy, this commitment would result in approximately \$3,800 being paid per month until the rent subsidy expires. The Respondent also indicated he has recently inquired after Jordan's Principle funding and just received a pamphlet on the program on Monday. He has yet to make the formal application but indicated he has every intention of doing so.

The Applicant is familiar with the Jordan's Principle funding program and confirmed that in his experience it doesn't usually take very long for the program operators to assess an individual's eligibility for assistance, and that payments are usually fairly quickly processed.

The Respondent's mother also offered to financially help the Respondent avoid eviction if the Respondent's efforts to secure other sources of financial assistance are not successful.

I am satisfied the lease ledger accurately reflects the current status of the Respondent's rent account. I find the Respondent has repeatedly failed to pay rent in full when due and has accumulated rental arrears in the amount of \$11,986. That amount represents approximately eight months' rent.

Termination of the tenancy and eviction

In light of the Respondent's 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.

The Applicant reiterated the fact that to date the Respondent still has not actually made any payments himself towards his rent. It was further noted that the Respondent's original commitment of \$2,000 per month, plus the \$800 rent subsidy which expires in December, would take about 15 months to resolve the debt if no lump sum payments were made. With the Respondent's subsequent commitment of \$3,800 per month including the \$800 rent subsidy, it would take about 6 months to resolve the debt if no lump sum payments were made. However, the issue remains as to whether or not there can be any confidence in the Respondent to actually make the payments he's committed to make. The Applicant indicated they would not be prepared to entertain a long-term conditional termination order, but they could be satisfied with a termination order for the end of June conditional on the Respondent paying the rental arrears in full.

The Respondent's mother suggested a six-month conditional termination order should be warranted given the efforts the Respondent is now making to resolve the issue and to give him adequate time to secure the financial assistance he will require. It was noted, however, that the Respondent had more than adequate opportunity over the last 10 months of his tenancy to make the necessary efforts to communicate with the Landlord and to seek the financial assistance he clearly required.

I am of the opinion that the Respondent should be given an opportunity to follow through on applying to Jordan's Principle for financial assistance, and to any other financial assistance program that might be available to him, before relying on his parents to help him out. I also would like to give him the opportunity to prove that he is able to pay his rent in full and on time every month.

I do not think it is reasonable to extend the time for these things to six months, but I also do not think a due date of the end of June would provide the opportunity for the Respondent to show he can pay his rent on time. I am satisfied that splitting the difference would adequately achieve the results we are looking for. Ordering the conditional termination for the end of August dependent on the Respondent paying the rental arrears in full and paying his monthly rent on time would provide the Respondent with more than enough time to secure any lump sum funding he is eligible for and it would provide the Respondent with the opportunity to show he can make his monthly rent payments on time.

If the Respondent fails to make his rent payments for June or July, the Applicant may make a new application to the Rental Office to request earlier termination and eviction dates, as well as to request an order for payment of the new rental arrears.

Orders

An order will issue:

- requiring the Respondent to pay rental arrears in the amount of \$11,986 (p. 41(4)(a));
- requiring the Respondent to pay his rent on time in the future (p. 41(4)(b));
- terminating the tenancy August 31, 2022, unless the rental arrears are paid in full and the monthly rents for June, July, and August are paid on time (p. 41(4)(c), ss. 83(2)); and
- evicting the Respondent from the rental premises September 1, 2022, if the termination of the tenancy becomes effective (p. 63(4)(a), ss. 83(2)).

Adelle Guigon
Rental Officer