

IN THE MATTER between **NTHC**, Applicant, and **SL**, 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, regarding a rental premises located within the **hamlet of Paulatuk in the Northwest Territories**;

BETWEEN:

**NTHC**

Applicant/Landlord

-and-

**SL**

Respondent/Tenant

**REASONS FOR DECISION**

<b><u>Date of the Hearing:</u></b>	<b>September 7, 2022</b>
<b><u>Place of the Hearing:</u></b>	<b>Yellowknife, Northwest Territories</b>
<b><u>Appearances at Hearing:</u></b>	<b>LN, representing the Applicant SL, the Respondent AL, on behalf of the Respondent</b>
<b><u>Date of Decision:</u></b>	<b>September 7, 2022</b>

### **REASONS FOR DECISION**

An application to a rental officer made by PHA on behalf of the NTHC as the Applicant/Landlord against SL as the Respondent/Tenant was filed by the Rental Office July 7, 2022. The application was made regarding a residential tenancy agreement for a rental premises located in Paulatuk, Northwest Territories. The filed application was personally served on the Respondent August 8, 2022.

The Applicant alleged the Respondent had repeatedly failed to pay rent, had accumulated rental arrears, had failed to comply with a rental officer order to pay minimum monthly installments towards rental arrears, had failed to comply with a rental officer order to pay future rent on time, and had failed to comply with the obligation to obtain authorization for an additional occupant. An order was sought for the Respondent to comply with the obligation to obtain authorization for an additional occupant, for payment of the rental arrears, for payment of future rent on time, for termination of the tenancy, for eviction, and for compensation for use and occupation of the rental premises (overholding rent).

A hearing was held September 7, 2022, by three-way teleconference. LN appeared representing the Applicant. SL appeared as the Respondent with her daughter AL appearing to assist her.

#### *Tenancy agreement*

Evidence was provided establishing a residential tenancy agreement between the parties for subsidized public housing commencing April 1, 2012. I am satisfied a valid tenancy agreement is in place in accordance with the *Residential Tenancies Act* (the Act).

#### *Previous order*

Rental Officer Order #20-13623 issued January 28, 2014, ordered the Respondent to pay rental arrears of \$9,614 in minimum monthly installments of \$50 due the 15<sup>th</sup> of each month starting in February 2014, and ordered the Respondent to pay future rent on time.

#### *Additional occupants*

Section 45 of the Act establishes that landlords and tenants are responsible for complying with additional obligations that are set out in a written tenancy agreement.

Section 5 of the written tenancy agreement establishes that any additional occupants at the rental premises other than the Tenant must be approved of by the Landlord and included in Schedule B to the tenancy agreement.

Schedule B to the written tenancy agreement shows that there are currently no additional occupants authorized to reside with the Tenant at the rental premises.

It was clarified at the hearing that there appeared to be some miscommunication between the parties which brought the issue of additional occupants to this hearing. The Respondent's daughter moved back to the community and in with the Respondent in May 2022. The Landlord's representative was informally notified in August 2022 by the Respondent's daughter that she had moved in with her mother and why. The Landlord's representative apparently believed that the Respondent's sole tenancy would need to be terminated to add the Respondent's daughter as a Tenant. It was clarified at hearing that the tenancy agreement did not need to change if the Landlord was prepared to authorize the Respondent's daughter as an additional occupant. The Landlord's representative confirmed they have no issue with adding the Respondent's daughter as an authorized occupant and they just needed some paperwork completed.

Given the misunderstanding, I am not satisfied that there was any intent to breach the obligation to obtain authorization for an additional occupant to the rental premises, and there's certainly no evidence of a repeated pattern of behaviour in this regard. I am confident the parties will address the formalities of adding the Respondent's daughter to Schedule B of the tenancy agreement as an authorized additional occupant.

#### *Rental arrears*

The lease balance statement represents the Landlord's accounting of monthly rents and payments received against the Respondent's rent account. All rents have been subsidized and are currently assessed at \$325 per month. There have been no payments made in 50 of the months (4 years 2 months) since the last rental officer order was issued (8 years 9 months ago).

The lease balance statement included charges for NSF fees which are not permitted under the Act and as such the total amount of \$40 was deducted from the statement balance.

The lease balance statement was provided for the period from December 1, 2013, to June 27, 2022, and was amended to account for the subsidized rents for July, August, and September, and two payments made in July and August. The opening balance as at December 1, 2013, of \$10,851.65 included \$1,237.65 in charges unrelated to rent for which no evidence was provided and no application was made. The statement balance was further adjusted by deducting \$1,237.65.

The Respondent did not dispute the accuracy of the Landlord's accounting, acknowledging the debt and accepting responsibility for it. She understands how much she owes and wants to work with the Landlord to find a way to pay down the rental arrears. The Respondent also understands that her daughter's income will affect how much her rent subsidy is, and will likely increase her monthly

subsidized rent. The Respondent's daughter committed to contributing to the increased monthly rent amount and to help make payments towards the accumulated arrears. The Respondent committed to being able to pay the current subsidized rent amount plus another \$150 per month towards the arrears.

I am satisfied the adjusted lease balance statement accurately reflects the current status of the Respondent's rent account. I find the Respondent has repeatedly failed to pay rent, has repeatedly failed to comply with a rental officer order to pay the rental arrears in minimum monthly installments, has failed to comply with a rental officer order to pay future rent on time, and has accumulated rental arrears in the total amount of \$20,106. That amount represents approximately 58 months' subsidized rent (4 years 10 months) and effectively includes an outstanding amount ordered paid under Rental Officer Order #20-13623.

The previous rental officer order to pay the rental arrears in minimum monthly installments was issued under the authority of subsection 84(2) of the Act. Subsection 84(3) of the Act provides for a rental officer to later rescind that order and replace it with an order to pay the rental arrears in a lump sum. This authority will be exercised in the order issued today.

#### *Termination of the tenancy and eviction*

In light of the Respondent's repeated failure to pay the rent and pay the rental arrears, the Respondent's failure to comply with rental officer orders, 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 and in consideration of the Respondent's circumstances and commitments made today, the termination will be conditional on payments being made towards the rental arrears and the monthly subsidized rents being paid on time. While an eviction order would normally be justified in this type of case, it was agreed that given the conditional termination order would be for a longer period of time that an eviction order would not be appropriate.

#### *Orders*

An order will issue:

- rescinding paragraph 1 of Rental Officer Order #20-13623 and requiring the Respondent to pay rental arrears in the amount of \$20,106 (ss. 84(3), p. 41(4)(a));
- requiring the Respondent to pay future rent on time (p. 41(4)(b)); and
- terminating the tenancy agreement March 31, 2023, unless at least \$1,000 is paid towards the rental arrears and the monthly subsidized rents for October 2022 to March 2023 are paid on time (p. 41(4)(c), ss. 83(2)).

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Adelle Guigon  
Rental Officer