

IN THE MATTER between **NTHC**, Applicant, and **JK**, 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, regarding a rental premises located within the **hamlet of Ulukhaktok in the Northwest Territories**.

BETWEEN:

NTHC

Applicant/Landlord

-and-

JK

Respondent/Tenant

REASONS FOR DECISION

<u>Date of the Hearing:</u>	November 16, 2022
<u>Place of the Hearing:</u>	Yellowknife, Northwest Territories
<u>Appearances at Hearing:</u>	SK and KJ, representing the Applicant JK, the Respondent
<u>Date of Decision:</u>	November 16, 2022

REASONS FOR DECISION

An application to a rental officer made by the UHA on behalf of HNWT as the Applicant/Landlord against JK as the Respondent/Tenant was filed by the Rental Office May 27, 2022. The application was made regarding a residential tenancy agreement for a rental premises located in Ulukhaktok, Northwest Territories. The filed application was personally served on the Respondent on June 24, 2022.

The Applicant claimed the Respondent had failed to pay rent when due and had accumulated rental arrears. An order was sought for payment of rental arrears owing, to pay rent on time, termination of the tenancy agreement, and eviction.

A hearing was held August 30, 2022 in person in Ulukhaktok. SK and KJ appeared representing the Applicant. The Respondent, JK, appeared.

At the hearing, I adjourned further consideration of this application to a later date to allow the Applicant time to receive information on the Respondents' household income for 2020, including their son's income. This information was required to reassess the rent for the period July 2021 to June 2022. I also requested information on payments made to the previously ordered amount of \$4,303 under Rental Officer Order file #20-9650.

On September 26, 2022, the Applicant provided the Rental Office with the information requested and proof of service on the Respondent. The hearing resumed on November 16, 2022 by teleconference. SK and KJ appeared representing the Applicant. The Respondent, JK, appeared at the hearing.

Preliminary matters

The name of the Applicant on the Application is UHA (HNWT). At the hearing, I clarified that the name change of the NTHC to "HNWT", has been announced to the public, but is not legally in force. As a result the style of cause references the "NTHC", not "HNWT".

Previous order

Previous Rental Officer Order file #20-9659 issued August 23, 2007, rescinded Rental Officer Order file #20-9099 and ordered JK and BAK to pay rent arrears in the amount of \$4,303, and terminated their tenancy agreement on September 21, 2007 unless the full arrears were paid. At the hearing, I was informed that the Respondent's spouse, BAK, died.

Previous Rental Officer Order file #20-9099 ordered JK and BAK to pay rental arrears in the amount of \$996 in six equal installments of \$166 starting on August 1, 2006.

Tenancy agreement

Evidence was provided establishing a residential tenancy agreement for subsidized public housing commencing on September 10, 2015 and continuing month to month. The assessed rent is currently \$555 per month. I am satisfied a valid tenancy agreement is in place in accordance with the *Residential Tenancies Act* (the Act).

Rental arrears

The Applicant provided, with the filed application, a lease balance statement up to May 1, 2022. At the hearing on August 30, 2022, an updated lease balance statement up to August 29, 2022, was provided as evidence. These statements represent the Landlord's accounting of monthly rents and payments made against the Respondent's account. According to the statements on August 29, 2022, the Respondent had rental arrears owing totalling \$21,767.67.

The statement filed with the application includes an opening balance of \$4,303, with a note "owing as per rental officer order from 2007". This corresponds with the amount ordered in Rental Officer Order file # 20-9659. At the hearing, I questioned this, as it would mean no action was taken on enforcing or paying the ordered arrears in the eight-year period from August 2007 to September 15, 2015. If payments had been made, it would affect the amount that could be ordered. As neither the Applicant nor the Respondent was able to answer my questions, I asked the Applicant to check their records and either confirm this opening charge or provide a revised statement.

At the hearing, the Applicant testified the Respondent had been charged full market rent of \$1,445 for the rental year July 2021 to June 2022, because they had not complied with their obligation to provide complete household income for 2020 including their son's income information. If this information was provided, a reassessment was possible, which could reduce the assessed rent for that period and the arrears owing. They had complied with this obligation this last year and their rent was now \$555 per month.

I adjourned the hearing to allow time for the Applicant to review their record of payments on the previously ordered amount, and to allow the Respondent to provide the Applicant with complete household income information for 2020 to allow for a reassessment of rent for the 2021 to 2022 rental period.

Updated information along with proof of service on the Respondent was provided to the Rental Office on September 26, 2022. This included an updated lease balance statement for the period January 1, 2012 to September 18, 2022, and a cover letter explaining:

- \$1,024.98 remained owing on the previously ordered amount of \$4,303 - this is verified in the lease balance statement which shows payments made against this amount of \$3,278.02, starting with a CRA remittance in April 22, 2016, and the last payment made on February 13, 2018, confirming that a further \$1,024.98 is owing.
- \$21,294.69 is owing on arrears that have accrued during the current tenancy up to and including September 18, 2022.
- The Respondent had not provided income information for their son for the calendar year 2020, so no reassessment has been done for the July 2020 to June 2021 rental period.

At the hearing on November 16, 2022, the Applicant testified that according to the updated lease balance statement (provided to the Rental Office on November 16, 2022), the Respondent now owed arrears totalling \$22,004.69, and the household income information for the 2020 year had still not been provided.

The Respondent did not dispute the arrears owing but testified they had applied for funding through Jordan's Principle to pay off their arrears and had spoken to their son about getting assistance to pay their rent on time in the future.

Based on the evidence provided, I find the Respondent currently has rental arrears owing totalling \$22,004.69 and will order arrears paid.

Termination of the tenancy agreement and eviction

It is clear that a large amount of the Respondent's arrears accumulated during the period from July 2021 to June 2022 when they did not comply with their obligation to provide income information. In June 2021, their arrears (not including the previously ordered amount) were \$5,037.02 and their rent was \$140 per month. In July 2021, their rent went to \$1,445 and by June 2022, after not paying full rent or any rent in some months, their arrears had increased significantly to \$20,354.69.

The Applicant provided evidence and testimony about repeated notices about the arrears, a payment plan that wasn't complied with, and attempts to secure income information. Based on the Respondent's promise to pay the arrears off with funding through Jordan's Principle and pay their rent on time in the future, they agreed to a conditional termination of the tenancy agreement on March 31, 2023, unless the Respondent paid off their arrears and paid rent on time.

Based on the evidence and testimony, it is clear the Respondent has repeatedly not paid their full rent when due and in many months has not paid any rent at all and I am satisfied that termination of the tenancy agreement and eviction are justified. With the support of the Applicant, I will order the tenancy terminated on March 31, 2023 unless the total arrears of \$22,004.69 are paid and rent is paid on time for December 2022, January, February, and March 2023. If the tenancy is terminated, then the Respondent will be evicted on or after April 1, 2023.

Orders

An order will issue:

- requiring the Respondent to pay rental arrears in the amount of \$22,004.69 (p. 41(4)(a));
- requiring the Respondent to pay their rent on time in the future (p. 41(4)(b));
- terminating the tenancy agreement on March 31, 2023, unless the rental arrears of \$22,004.69 are paid and the rent for December 2022, January, February, and March 2023 is paid on time (p. 41(4)(c) and ss. 83(2)); and
- if the tenancy agreement between the parties is terminated in accordance with this order the Respondent is evicted from the rental premises on or after April 1, 2023 (p. 63(4)(a) and 83(2)).

Janice Laycock
Rental Officer