

IN THE MATTER between **YELLOWKNIFE HOUSING AUTHORITY**, Applicant,
and **JOZEF HAJCIK**, Respondent;

AND IN THE MATTER of the **Residential Tenancies Act** R.S.N.W.T. 1988, Chapter
R-5 (the "Act") and amendments thereto;

AND IN THE MATTER of a Hearing before, **HAL LOGSDON**, Rental Officer,
regarding the rental premises at **YELLOWKNIFE, NT.**

BETWEEN:

YELLOWKNIFE HOUSING AUTHORITY

Applicant/Landlord

- and -

JOZEF HAJCIK

Respondent/Tenant

ORDER

IT IS HEREBY ORDERED:

1. Pursuant to sections 41(4)(a) and 83(2) of the *Residential Tenancies Act*, the respondent shall pay the applicant rent arrears in the amount of nine thousand three hundred sixty three dollars (\$9363.00) according to the following schedule:
 - a) One payment of two thousand dollars and four cents (\$2000.04) payable on April 30, 2014.
 - b) Twenty four (24) monthly payments of three hundred six dollars and seventy nine cents (\$306.79) payable on the last day of every month commencing in May, 2014.
2. Pursuant to sections 41(4)(c) and 83(2) of the *Residential Tenancies Act*, the tenancy

agreement between the parties for the premises known as 923 Bigelow Crescent, Yellowknife, NT shall be terminated on April 30, 2014 and the respondent shall vacate the premises on that date unless the first payment of two thousand dollars and four cents (\$2000.04) has been paid in full.

3. Pursuant to section 41(4)(b) of the *Residential Tenancies Act*, the respondent shall pay future rent on time.
4. Pursuant to section 45(4)(b) of the *Residential Tenancies Act*, the respondent shall comply with his obligation to report the household income in the future.

DATED at the City of Yellowknife, in the Northwest Territories this 11th day of April, 2014.

Hal Logsdon
Rental Officer

IN THE MATTER between **YELLOWKNIFE HOUSING AUTHORITY**, Applicant,
and **JOZEF HAJCIK**, 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 **Hal Logsdon**, Rental Officer.

BETWEEN:

YELLOWKNIFE HOUSING AUTHORITY

Applicant/Landlord

-and-

JOZEF HAJCIK

Respondent/Tenant

REASONS FOR DECISION

Date of the Hearing: April 2, 2014

Place of the Hearing: Yellowknife, NT

Appearances at Hearing: Ella Newhook, representing the applicant
Jozef Hajcik, respondent

Date of Decision: April 11, 2014

REASONS FOR DECISION

The applicant alleged that the respondent had breached the tenancy agreement by failing to report the household income and by failing to pay rent. The applicant sought an order requiring the respondent to pay the alleged rent arrears and terminating the tenancy agreement and evicting the respondent. The premises are subsidized public housing.

The application was filed on October 17, 2013. The respondent had planned to leave the country for several months. The respondent complied with his obligation to report income and made a payment of \$1000 and the applicant agreed to the postponement of a hearing until his return.

The hearing was held on April 2, 2014. The applicant provided a statement of the rent account which indicated a balance of rent owing in the amount of \$10,908 as at April 1, 2014. The April rent was assessed at the full unsubsidized rate of \$1625. The applicant stated that the respondent had not provided any household income information on which to calculate the April rent but stated that she had not requested the information yet.

The respondent denied receiving any statements showing an outstanding balance of rent owing or notices requesting household income information. He denied that he was ever notified of any rent arrears until October, 2013 and was repeatedly told that regardless of the amount of reported income, it would have no effect on his rent.

The respondent stated that his wife became seriously ill and was unable to return to Canada with him. He stated that he has had to pay for her medical treatment, is unable to work and cannot pay rent at this time. He stated that he will be able to pay rent when he can get back to work.

Article 6 of the tenancy agreement between the parties sets out the tenant's obligation to report the household income.

6. Tenant's Income

The Tenant promises to provide a subsidy agent appointed by the Landlord with an accurate report of the Tenant's income, the income of any occupant of the Premises, the size of the Tenant's family, and the number of occupants residing on the Premises, whenever, and as often as, the subsidy agent requests such a report.

The applicant stated that the respondent had been requested to provide household income information since June, 2013. A statement dated June 6, 2013 presented in evidence by the applicant indicates rent arrears of \$1315 and contains the following notation:

*****URGENT*****

Please contact Ella at 873-5694 x 3 to report your income immediately, Thank you!

Another statement dated October 12, 2013 contained the following notation:

Joe,

URGENT

I must see you - I need your pay stubs.

Ella

The applicant stated that monthly statements were delivered to all tenants except for August when she was on vacation. The applicant also testified that she met with the respondent on June 12 and June 19 and reminded him of the requirement to provide the income information. She stated that the respondent was in the landlord's office on numerous occasions in May, June, July,

August and September to submit electricity bills for a rebate and was again reminded of the requirement to provide household income information. The applicant stated that the respondent finally submitted the necessary income information in October and numerous adjustments were made to rent assessments in 2012 and 2013 based on the reported income.

The evidence suggests that the applicant repeatedly requested, both in writing and orally, that the household income be reported. The income information was not provided by the respondent until October, 2013. Not only were the unsubsidized rents from June to October, 2013 adjusted to income, some previously assessed rents from July to December, 2012 and April and May, 2013 were also re-assessed at a higher rate based on the new income information.

In June, 2013 the respondent ceased reporting his income. He also began working and for the next four months earned significant income which resulted in a much higher rent. When the respondent did comply with his obligation and reported his income, significant adjustments to previous assessments were necessary. He has paid no rent except the single payment of \$1000 in October, 2013. The respondent is not a new tenant of subsidized public housing. His responsibilities should be clear to him. Although, I can understand how the amount of rent owing may have been unclear to him, the current debt is of his own making. Certainly he understood that he was in serious arrears as early as June, 2013. He now claims he is not able to pay any rent.

I find the respondent breached his obligation to report the household income and is currently in

breach of his obligation to pay rent. I find the application of the full unsubsidized rent in April, 2014 to be unreasonable as the landlord has not requested the household income from the respondent for this period. I shall consider the rent for April, 2014 to be unchanged from the previous month, or \$80. The landlord may retroactively reassess the April rent based on reported income should they request the information. I find the total amount of rent owing to be \$9363 calculated as follows:

Balance as per ledger as at March 31, 2014	\$9283
April, 2014 rent	<u>80</u>
Total	\$9363

The applicant stated at the hearing that they would be willing to continue the tenancy agreement if the respondent paid the full amount of the rent arrears by April 30, 2014. If I accept the respondent's testimony concerning his financial position, ordering payment in full before April 30 could not be satisfied. Unfortunately, the respondent has not suggested any remedy except to relieve him from paying any rent for an indeterminate period until he is better able to address the debt. Clearly that is not acceptable.

In my opinion, it is not unreasonable to permit the tenancy to continue and allow the respondent to pay the rent arrears over a period of time provided he demonstrates a genuine intention to address the debt. An order shall issue requiring the respondent to pay the rent arrears of \$9363 according to the following schedule:

- a) One payment of \$2000.04 due on or before April 30, 2014 followed by
- b) monthly payments of \$306.79 payable on the last day of every month commencing on

May 30, 2014 and continuing until the rent arrears are paid in full (24 months).

The tenancy agreement will be terminated on April 30, 2014 unless the first payment is paid on or before April 30, 2014. The order shall also require the respondent to comply with his obligation to report the household income in accordance with the tenancy agreement in the future and to pay the monthly rent on time. An eviction order to be effective on May 1, 2014 unless the first payment of \$2000.04 is paid on or before April 30, 2014 shall be issued separately.

Hal Logsdon
Rental Officer