

IN THE MATTER between **Lutselk'e Housing Authority**, Applicant, and **Norton Michel and Margo Isadore**, Respondents;

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**, Deputy Rental Officer, regarding a rental premises located within the **community of Lutselk'e in the Northwest Territories**.

BETWEEN:

LUTSELK'E HOUSING AUTHORITY

Applicant/Landlord

- and -

NORTON MICHEL and MARGO ISADORE

Respondents/Tenants

ORDER

IT IS HEREBY ORDERED:

1. Pursuant to sections 41(4)(a) and 84(2) of the *Residential Tenancies Act*, the respondents must pay to the applicant rental arrears in the amount of \$8,935.00 (eight thousand nine hundred thirty-five dollars) in minimum monthly installments of \$100.00 (one hundred dollars) to be paid starting in December 2014 and each month thereafter until the rental arrears are paid in full.
2. Pursuant to section 41(4)(b) of the *Residential Tenancies Act*, the respondents must pay their future rent on time.

3. Pursuant to sections 41(4)(c) and 83(2) of the *Residential Tenancies Act*, the tenancy agreement between the parties for the rental premise known as Unit 0022A in Lutselk'e, Northwest Territories, will terminate March 31, 2015, unless the minimum monthly installments and rents for December 2014 to March 2015 are paid on time.

DATED at the City of Yellowknife in the Northwest Territories this 8th day of December 2014.

Adelle Guigon
Deputy Rental Officer

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

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BETWEEN:

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-and-

NORTON MICHEL and MARGO ISADORE

Respondents/Tenants

REASONS FOR DECISION

<u>Date of the Hearing:</u>	November 26, 2014
<u>Place of the Hearing:</u>	Lutselk’e, Northwest Territories, by teleconference
<u>Appearances at Hearing:</u>	Michael Keohane, representing the applicant Melissa Catholique, representing the applicant Norton Michel, respondent Margo Isadore, respondent
<u>Date of Decision:</u>	November 26, 2014

REASONS FOR DECISION

An application to a rental officer made by Lutselk'e Housing Authority as the applicant/landlord against Norton Michel and Margo Isadore as the respondents/tenants was filed by the Rental Office September 10, 2014. The application was made regarding a subsidized public housing residential tenancy agreement for the rental premises known as Unit 0022A in Lutselk'e, Northwest Territories. The applicant served a copy of the filed application on the respondents by registered mail signed for September 26, 2014.

The applicant alleged in the application the respondents had accumulated rental arrears and failed to comply with a rental officer order. They sought an order for payment of rental arrears, termination of the tenancy agreement, eviction, and compensation for use and occupation post-termination. Evidence submitted is listed in Appendix A attached to this order.

A hearing was scheduled for November 26, 2014, in Lutselk'e, Northwest Territories. Mr. Michael Keohane and Ms. Melissa Catholique appeared representing the applicant. Mr. Norton Michel and Ms. Margo Isadore appeared as respondents.

Mr. Keohane testified the respondents have been tenants in subsidized public housing since April 2012. On September 24, 2012, a rental officer ordered the respondents to pay rental arrears in the total amount of \$5,580.11 (10-12984). The eight payments received from the respondents since that date have been applied against those previously ordered rental arrears; said payments to date total \$1,500.22.

Since commencement of the current tenancy agreement, the respondents have successfully reported their household income in accordance with their tenancy agreement and all rents have had subsidies applied against them calculated based on the reported income. As all the payments the respondents have made to date have been applied to the previously ordered rental arrears, no payments have been received against the rents for October 2012 to November 2014. The rental arrears claimed in this application total \$8,935.

Mr. Keohane expressed a desire to mediate a resolution to this matter but wanted to ensure the respondents understood the importance of complying with their obligations as tenants and the serious potential consequences should they fail to do so. He wished to set up a reasonable payment plan with the respondents. He agreed to withdraw the applicant's request for eviction if such a plan could be negotiated, and indicated satisfaction with an order for payment of the rental arrears in minimum monthly installments, that future rent be paid on time, and conditionally terminating the tenancy.

The respondents did not dispute the amount of rental arrears claimed. They too wished to work with the applicant to resolve their arrears. They advised they were not currently employed and that Mr. Michel's employment tended to be seasonal. He was expected to start receiving employment insurance payments shortly. They admitted they have not approached income assistance for help yet. The respondents were receptive to incorporating a payment plan into an order for payment of the rental arrears and indicated they could afford to pay as much as \$300 per month including the rent and payment plan. Their monthly rent is currently being assessed at \$70, however it was explained and understood that this amount could fluctuate dramatically depending on the respondents' total household income each month and to take this into consideration before committing to a minimum payment amount. The parties agreed a reasonable minimum amount to commit to pay towards the rental arrears specifically would be \$100, plus whatever the monthly assessed rent is.

Issues related to the condition of the rental premises were raised by the respondents; they were not considered at this hearing. The applicant's representatives have made note of the complaints and Mr. Keohane stated he would look into the problems within the next couple of weeks and keep the respondents informed of his progress. The respondents were informed of their option to file an application to a rental officer should the deficiencies not be rectified.

Tenancy agreement

The residential tenancy agreement entered into evidence was made between the parties for subsidized public housing on a monthly basis starting April 1, 2012. The parties did not dispute the validity of the tenancy agreement. I am satisfied a valid tenancy agreement for subsidized public housing is in place between the parties in accordance with the *Residential Tenancies Act* (the Act).

Rental arrears

The lease balance statement represents the landlord's accounting of monthly assessed rent and payments received against the respondents' rent account. The respondents did not dispute the accuracy of the lease balance statement provided into evidence. I am satisfied the lease balance statement accurately reflects the status of the respondents' rent account. After deducting the previously ordered rental arrears and payments made towards those rental arrears from the balance of the statement, I find the respondents have accumulated rental arrears since October 1, 2012, in the amount of \$8,935.

The respondents' commitment of \$100 per month towards their rental arrears in addition to their monthly assessed rent to my mind is reasonable, and the applicant's acceptance of this offer substantiates the incorporation of a minimum monthly payment plan into the order for payment of rental arrears.

Termination of the tenancy agreement

The amount of rental arrears and the respondents' consistent failure to make any substantive payments towards their rent or rental arrears is justification for termination of the tenancy agreement. In the spirit of permitting the respondents to show they can comply with their monthly obligations to make payments and with the applicant's expressed acceptance of such an agreement, I find it appropriate to issue a termination order conditional on the timely payment of rents and minimum monthly installments.

An order will issue requiring Mr. Michel Norton and Ms. Margo Isadore to pay rental arrears in the amount of \$8,935 in minimum monthly installments of \$100 starting in December 2014, to pay their rent on time in the future, and terminating their tenancy on March 31, 2015, unless the minimum monthly installments and rents for December 2014 to March 2015 are paid on time.

Adelle Guigon
Deputy Rental Officer

APPENDIX A

Exhibits

- Exhibit 1: Landlord's requests dated July 31, 2014
- Exhibit 2: Residential tenancy agreement indeterminate lease dated March 27, 2012
- Exhibit 3: Residential tenancy agreement indeterminate lease dated March 20, 2013
- Exhibit 4: Residential tenancy agreement indeterminate lease dated April 1, 2014
- Exhibit 5: Account summary statement
- Exhibit 6: Lease balance statement dated August 1, 2014
- Exhibit 7: Applicant's outstanding rental arrears correspondence to respondents dated May 14, 2013
- Exhibit 8: Applicant's correspondence to respondents dated July 30, 2013
- Exhibit 9: Applicant's rent calculations correspondence to respondents dated September 6, 2013
- Exhibit 10: Rental officer order number 10-10234 dated July 19, 2008
- Exhibit 11: Rental officer order number 10-12984 dated October 3, 2012
- Exhibit 12: Lease balance statement dated November 18, 2014
- Exhibit 13: Rent calculation forms for September 2014