



Dispute Resolution Services

Residential Tenancy Branch
Office of Housing and Construction Standards
Ministry of Housing and Social Development

Decision

Dispute Codes: O

Introduction

A substantial amount of documentary evidence and written arguments have been submitted by the parties prior to the hearing. I have thoroughly reviewed all submissions.

I also gave the parties the opportunity to give their evidence orally and the parties were given the opportunity to ask questions of the other parties.

All testimony was taken under affirmation.

Issue(s) to be Decided

This is a request for an additional rent increase.

Background and Evidence

The landlord testified that the landlord has done significant repairs and renovations to the rental property at a cost of \$100,260.08. This work was done to upgrade the electrical service to the park as the existing service was sub-standard and BC Hydro was no longer going to provide power unless the upgrade from a 60 V. service to a 120 V was made.

The landlord is therefore asking for an additional rent increase of 6.3% over and above the allowable 3.7%, for a total increase of 10%

The landlord provided invoices of all cost of the project.

The tenants do not dispute that the landlord has done a significant upgrade and has spent a significant amount of money on the upgrade; however they believe that the rents in the park are already comparable to the rents in other parks in the area and that an increase would put them at a higher rent than other parks.

The tenants also voiced a concern that many of them were given a significant rent increase last year which was higher than the amount allowed under the Manufactured Home Park Tenancy Act and which they understood was to cover the landlords costs of this same upgrade.

Analysis

The Manufactured Home Park Tenancy Regulation states in part:

33 (1) A landlord may apply under section 36 (3) of the Act [*additional rent increase*] if:

(b) the landlord has completed significant repairs or renovations to the manufactured home park in which the manufactured home site is located that

- (i) are reasonable and necessary, and
- (ii) will not recur within a time period that is reasonable for the repair or renovation;

It is my finding that this work was both reasonable and necessary for the continuation of proper services to this park.

It is also my finding that this work will not recur as it is a 1 time upgrade that bring the park up to present standards.

Therefore I will allow the landlord request for an additional rent increase of 6.3%, for a total allowable increase of 10%

With regards to the tenants concern that they had a previous rent increase that exceeded the amount allowed under the Manufactured Home Park Tenancy Act, I find that there is not sufficient evidence to show that any previous increase was to cover the cost of the electrical upgrades to the park and therefore I will still allow the full 10% requested by the landlord.

Some of the tenants stated that they think that if this increase is allowed the previous increase should not be allowed; however this hearing is not about any previous increase and I have no authority to roll back any previous increase on this application; however Section 36 of the Manufactured Home Park Tenancy Act is very clear on what increases are allowed and what the tenants rights are if that increase is exceeded without a written agreement from the tenant or an order allowing an additional increase.

The tenants must therefore act according to the requirements of Section 36 if they believe their previous increase did not meet the requirements of the Manufactured Home Park Tenancy Act.

The following is a quote of section 36 of the Manufactured Home Park Tenancy Act dealing with rent increases:

36 (1) A landlord may impose a rent increase only up to the amount

- (a) calculated in accordance with the regulations,
- (b) ordered by the director on an application under subsection (3), or
- (c) agreed to by the tenant in writing.

(2) A tenant may not make an application for dispute resolution to dispute a rent increase that complies with this Part.

(3) In the circumstances prescribed in the regulations, a landlord may request the director's approval of a rent increase in an amount that is greater than the amount calculated under the regulations referred to in subsection (1) (a) by making an application for dispute resolution.

(4) [Repealed 2006-35-11.]

(5) If a landlord collects a rent increase that does not comply with this Part, the tenant may deduct the increase from rent or otherwise recover the increase.

Conclusion

I find in favour of the applicant and allow an additional increase of 6.3% for a total of 10%. Notice of this increase must be given or have been given, as a 3 month notice on the required form, to take effect no earlier than the 12 month anniversary of either the date the rent was established or the date the rent was last increased.

I will not issue a specific monetary amount for each unit in this dispute as I am not convinced that all the present rents quoted by the landlord have been arrived at through proper allowable previous rent increases.

I further order that the landlord must serve copies of this decision on each of the respondents named on the application.

Dated: January 23, 2009