



Dispute Resolution Services

Residential Tenancy Branch
Office of Housing and Construction Standards

A matter regarding Timber Town Estate limited
and [tenant name suppressed to protect privacy]

DECISION

Dispute Codes ARI

Introduction

This is an application for an additional rent increase of 4.0% over and above the allowable 2.2% increase, for a total increase of 6.2%.

A substantial amount of documentary evidence and written arguments have been submitted by the parties prior to the hearing.

This application has been dealt with by written submissions only.

Issue(s) to be Decided

The issue is whether or not applicant/landlords are entitled to an additional rent increase of 4.0%.

Background and Evidence

The applicants are requesting an additional rent increase of 4.0% because the BC Safety Authority ordered new electrical meter housing kiosks to be installed in the park at a cost of \$381,776.00 which works out to \$3054.21 per pad.

The increase requested would bring in an extra \$2829.75 per month, or \$33,957.12 per year, and therefore would cover the costs of the electrical work in just over 11 years.

The applicants have also provided a Certificate of Electrical Inspection from the BC Safety Authority, to support the claim that this work was a requirement by the BC Safety Authority.

The applicants have also provided a copy of the invoice from the electrical company that did the work, which totals \$381,776.00.

The respondents are disputing this request for an additional rent increase, stating that this electrical work was not an upgrade of the parks electrical services as suggested by the owners, it was work done to bring the electrical system into compliance due to deterioration of the system as a result of the owner's negligence in failing to maintain the system.

The Respondents argued that the reason that the landlords were required to do this work is because they failed to hold a valid operating permit for the electrical system in the park, and therefore did not have the annual inspections which would have identified any need for repairs to the system prior to the system deteriorating to such an unsafe condition.

The respondents therefore argue that this repair cost is the result of the landlord's failure to do regular maintenance, as required under the Manufactured Home Park Tenancy Act, and therefore the landlord should not be allowed an additional rent increase.

Analysis

Section 26 of the Manufactured Home Park Tenancy Act requires the following:

26 (1) A landlord must

- (a) provide and maintain the manufactured home park in a reasonable state of repair, and
- (b) comply with housing, health and safety standards required by law.

Further, Section 33(3) of the Manufactured Home Park Tenancy Regulations states:

- (3) The director must consider the following in deciding whether to approve an application for a rent increase under subsection (1):
 - (h) whether, and to what extent, an increase in costs with respect to repair or maintenance of the manufactured home park results from inadequate repair or maintenance in a previous year;

In this case the respondents have argued that the repair required to the electrical system in the park was the result of the landlord's failure to repair and maintain the system over the years and it is my decision that I accept this argument.

I accept that the landlord has completed a significant repair to the electrical system in the Manufactured Home Park, however the landlord has provided no information to show what, if any, work was done to maintain the electrical system in a reasonable state of repair over the years, to ensure that it complied with the housing, health, and safety standards required by law.

The information provided by the landlord actually shows the landlord failed to hold an Operating Permit for the electrical grid, which is a requirement of the BC Safety Authority.

The extent of the work required, and the description of the deficiencies on the Certificate of Electrical Inspection, indicate to me that this electrical system has not been well maintained over the years, and in fact it appears to show that the system has been neglected, and that the landlord has not complied with the safety standards required by law (BC Safety Authority).

Therefore since is my finding “on the balance of probabilities” that this repair to the electrical system resulted from the landlord's failure to maintain the system; I will not allow the landlords request for an additional rent increase.

Conclusion

This application for an additional rent increase is dismissed without leave to reapply.

This decision is made on authority delegated to me by the Director of the Residential Tenancy Branch under Section 9.1(1) of the *Manufactured Home Park Tenancy Act*.

Dated: October 20, 2014

Residential Tenancy Branch