



Dispute Resolution Services

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Residential Tenancy Branch
Office of Housing and Construction Standards

A matter regarding 368408 B.C. Ltd.
and [tenant name suppressed to protect privacy]

DECISION

Dispute Codes RI

Introduction

This hearing was convened in response to an application by the Landlord for an order approving a greater rent increase pursuant to section 36 of the *Manufactured Home Park Tenancy Act* (the “Act”).

The Tenants did not attend the hearing. I accept the Landlord's evidence that the Tenants, with the exception of the Tenants in units 21 (Tenants AM and RA), 36 (Tenant BB) and 44 (Tenant KS), were served with the application for dispute resolution and notice of hearing (the “Materials”) in person on January 26, 2017 in accordance with Section 89 of the Act. I accept the Landlord's evidence that Tenants AM, RA, BB and KS were served with the Materials in person on January 27, 2017 in accordance with Section 89 of the Act. The Landlords were given full opportunity to be heard, to present evidence and to make submissions.

Issue(s) to be Decided

Is the Landlord entitled to an approval of the rent increase sought?

Background and Evidence

The Tenants occupy 55 sites in the Park where the original paving was completed in the 1970's. The Tenants last rental increase of \$11.22 per month came into effect on June 1, 2017 and current rent for each pad is \$314.40 payable on the first day of each month.

The original paving is now crumbling with deep ruts and holes. The roadways have developed sink holes creating pools of water and slippery ice and causing drainage problems. The Landlord has received numerous complaints over the past several years about the driveways and roads. Since the 1970's repairs have been made by patching and in May 2017 the Landlord put in new pavement for a total cost of \$283,578.75. The Landlord obtained a rate reduction for the work by having it done during a low season for the paving company. The Landlord also saved additional costs, such as costs for the transportation of machines to the site, by obtaining the work from a local paving company. The Landlord states that the new pavement has resulted in safer roads, better curb appeal, and added value to the Tenants' homes. The Landlord states that generally pavement last between 25 and 30 years and does not expect paving to have to occur for at least another 30 years.

The allowable rental increase for 2018 would be \$12.58 and the Landlord seeks approval for a greater increase of \$31.44 per month for each site. The Landlord has not previously sought any greater increase than the usual allowable increase. The Tenants were provided with a thorough explanation of the reasons for seeking a greater increase now and are generally agreeable to the increase.

Analysis

Section 36(3) of the Act provides that in the circumstances prescribed in the regulations, a landlord may request approval of a rent increase in an amount that is greater than the amount calculated under the regulations by making an application for dispute resolution. Section 33(1) of the Residential Tenancy Branch Regulations provides that a landlord may apply for approval of an additional rent increase if, inter alia, 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.

Given the Landlord's undisputed evidence that the paving was done after the original pavement was greatly aged and likely past its expected life, that the original pavement was in very poor shape, that the Landlord obtained a cost reduction for the work, and that the repaving has resulted in benefits to the Tenants I find that the repairs are reasonable and fair under the circumstances. Given the Landlord's undisputed evidence that the work was done to maintain suitable roadways in the park I also find that the work was necessary. Given the Landlord's undisputed evidence of the expected 25 to 30 year life of the new pavement I find that the repairs will not recur within a time period that is reasonable. As a result I find that the Landlord is entitled to the approval of a rental increase of **\$31.44** for each site. I order this increase to become effective 3 months after the Landlord has served the Tenants with a notice of this rental increase amount.

Conclusion

The Landlord may increase the rent for each of the Tenants by \$31.44 per month as set out above.

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

Dated: March 28, 2018

Residential Tenancy Branch