



# Dispute Resolution Services

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Residential Tenancy Branch  
Ministry of Housing

## **DECISION**

Dispute Codes      ARI-C

### Introduction

The original hearing was convened by telephone conference call at 11:00 am on February 7, 2023. That hearing was adjourned, and an interim decision was issued by me the following day. As a result, that interim decision should be read in conjunction with this decision. The reconvened hearing was attended by the Landlord. All testimony provided was affirmed. The Landlord was provided the opportunity to present their evidence orally and in written and documentary form, to call witnesses, and to make submissions at the hearing.

The Landlord was advised that interruptions and inappropriate behavior would not be permitted and could result in limitations on participation, such as being muted, or exclusion from the proceedings. The Landlord was asked to refrain from speaking over me and to hold their questions and responses until it was their opportunity to speak. The Landlord was also advised that recordings of the proceedings are prohibited and confirmed that they were not recording the proceedings.

The Landlord stated that they re-served the documents by registered mail 2 days after receiving the interim decision, as ordered. The Landlord submitted a registered mail receipt dated February 10, 2023, with five separate tracking numbers. As a result, and in the absence of any evidence or testimony to the contrary, I find that the Tenants were deemed served with the NODRP, interim decision, and the documentary evidence before me from the Landlord five days later, on February 15, 2023, in accordance with the Act and the Rules of Procedure. I verified that the hearing information contained in the most recent NODRP was correct and I note that the Landlord had no difficulty attending the hearing on time using this information. As a result, the hearing therefore

proceeded as scheduled despite the absence of the Tenants or an agent acting on their behalf, pursuant to rules 7.1 and 7.3 of the Rules of Procedure.

Although I have reviewed all evidence and testimony before me that was accepted for consideration in accordance with the Act and the Rules of Procedure, I refer only to the relevant and determinative facts, evidence, and issues in this decision.

### Issue(s) to be Decided

Is the Landlord entitled to a rent increase for eligible capital expenditures?

### Background and Evidence

The Landlord seeks an additional rent increase in relation to the following capital expenditures:

- \$2,680.00 for the replacement of exterior stairs and a landing; and
- \$2,600.00 for tree removal.

The Landlord stated that an exterior landing and set of stairs leading to the second floor of the building required replacement, as they were failing and over 20 years old. The Landlord stated that they paid cash for materials on May 20, 2021, and the remaining \$1,680.00 balance owed by cheque on June 5, 2021. The Landlord stated that the work was completed on approximately June 5, 2021.

The Landlord stated that the parking area was becoming overwhelmed by trees, so on October 18, 2021, they had several trees removed that were endangering vehicles, the parking area, and the roof. The Landlord stated that they paid for the tree removal by e-transfer the following day. The Landlord stated that there are 5 dwelling units in the building, only 4 of which they are seeking a rent increase against, as the occupant of the 5<sup>th</sup> unit has since vacated.

The Landlord submitted documentary evidence to support their claim including text messages, bank records, receipts, invoices, and pictures of cheques. No one appeared on behalf of any of the Tenants and no documentary evidence was submitted by any of the Tenants for my consideration.

### Analysis

I accept the undisputed documentary evidence and affirmed testimony provided by the Landlord. As no one appeared on behalf of the Tenants to argue that I must not grant the Application pursuant to section 23.1(5) of the regulation, I find that section 23.1(5) of the regulation does not apply. However, I do not find that all the expenditures claimed are eligible capital expenditures under section 23.1(4) of the Regulation. Although I am satisfied that the costs for the stair and landing replacement and the tree removal were incurred within the 18 months immediately preceding the Application, and that they are not expected to reoccur within the next five years, I do not find that the trees removed constitute either a major system or a major component as defined in the current version of the applicable Residential Tenancy Policy Guideline (Policy Guideline), Policy Guideline #37C, the version of Policy Guideline #37 that was in force at the time these costs were incurred, or the version of Policy Guideline #37 that was in force at the time the Application was made. As a result, I therefore dismiss the Landlord's claim for an additional rent increase related to the cost of removing trees, without leave to reapply.

I am satisfied that the exterior staircase and landing are major components as defined by the Policy Guideline, and that the Landlord has met the requirements set out under section 43(3) of the Act, section 23.1 of the regulation, and Policy Guidelines. I note that the Agents stated that no amounts are eligible to be reimbursed for or from other sources.

I accept that the property consists of 5 dwelling units, all of which are related to or impacted by the replacement of the exterior staircase and landing. The relevant calculation pursuant to section 23.3 of the Regulation is:

$$\text{Total ARI} = \frac{\$2,680.00}{5} = \$4.47$$

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The Landlord must do the remainder of the calculations and must impose the additional rent increases in accordance with the Act, Regulation and Policy Guideline. The Landlord may also only impose the additional rent increase for capital expenditures against 4 of the units, as the occupant present in the 5<sup>th</sup> rental unit when the staircase and landing were replaced, has since vacated that unit.

Conclusion

The Landlord is entitled to impose the above noted additional rent increase. The amount calculated pursuant to section 23.2(2) of the Regulation is \$4.47. The Landlord must do the remainder of the calculations and must impose this additional rent increase in accordance with the Act, Regulation, and Policy Guideline #37C.

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: June 14, 2023

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Residential Tenancy Branch