



Grey Mountain

Housing Society

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**Grey Mountain Housing Society
Submission to
Yukon Legislative Assembly
Select Committee on the Landlord Tenant Act**

May 4, 2010

Executive Summary

The Grey Mountain Housing Society was created to offer subsidized housing for qualified individuals. The Society wishes to identify the unique hardships it faces and therefore recommends that any changes to the Landlord and Tenant Act should address our unique circumstance.

Introduction

The Grey Mountain Housing Society ("Society") was formed in 1984 with assistance from the Council for Yukon Indians and the Canada Mortgage and Housing Corporation ("CMHC") to address the shortage of affordable housing for families with low income who resided in Whitehorse.

The Society presently has 74 homes which are located mainly in Riverdale, Granger, and Porter Creek with others located downtown, Hillcrest and Crestview. Of these 36 are single family dwellings and the remaining are duplexes or partial duplexes. Tenants are First Nations, many single parents, some elders and approximately 5 handicapped persons.

The Society has an operating agreement with CMHC whereby CMHC provides subsidies to the Society for those units held under mortgage for the purpose of operating and maintaining the properties. Rental income is deducted from these subsidies. The Society is currently non-profit and excess revenue must be returned at year end; however, commencing in 2010 the first of the CMHC mortgages will be fully repaid and over the following years so will the rest. CMHC subsidies will decline as each mortgage is paid out; consequently, the Society will be increasingly responsible to operate and maintain its rental properties without outside assistance. Understandably the Society is keenly worried over the ever increasing costs of maintenance and repair. Another major concern is that our tenants

Security Deposits

Section 63 of the Landlord and Tenant Act ("LL&T") stipulates that the landlord shall not require or receive a security deposit in an amount exceeding the amount payable for the first month of the tenancy.

The Society must calculate the monthly rental amount for its units based on a percentage of the renter's gross monthly income. One of the Society's clients pays the monthly rental amount of \$38.00; consequently, the maximum security deposit allowable would be \$38.00.

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Needless to say the paltry amount would not be sufficient to pay for the rectification of damage done to the premises during the tenancy.

The Society finds the process for obtaining and keeping security money both financially and time prohibitive.

Access to the courts is also cost prohibitive as the Society does not have the funds for court fees, and more importantly most of our clients lack funds to pay court awarded damages and costs. The Society believes there has to be a way to protect the assets of an organization that offers subsidized housing and asks the Select Committee to research this difficult issue and consider including any of the required amendments into the LL&T.

Right to assign or sublet

Section 71(1) allows a tenant to assign or sublet the tenancy agreement within the first six months. Subsection (2) exempts certain government bodies from subsection (1). The Society does not fall within any of the specified exemptions. Given that rental amounts are calculated on the basis of income it would be unfair for the assignee to obtain one of our units for an amount drastically less than what would otherwise be payable.

The Society asks that bodies offering subsidized housing be included in subsection (2).

Eviction

Termination of a tenancy by eviction is the most effective motivator for tenants to adhere to the terms and conditions of the tenancy agreement. The Society believes the right to evict for just cause should not be impinged. For example the Society believes some provincial landlord and tenant acts prohibit the eviction of tenants during the winter months. On the surface this appears to be a good idea; however, in the Society's experience once a tenant knows or believes they cannot be evicted they take advantage in various ways which result in financial hardship for the Society. Abuse by these few causes hardship to the Society that translates it being unable to properly maintain a proper level of repair and maintenance to other units.

Conclusion

The Society hopes that the Select Committee gives full and fair consideration to the issues raised in this submission and looks forward to hearing that any proposed amendments have taken our concerns seriously.

Respectfully,



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