



**THE ISLAND REGULATORY AND
APPEALS COMMISSION**

Prince Edward Island
Île-du-Prince-Édouard
CANADA

**Docket LR14008
Order LR14-13**

IN THE MATTER of an appeal under
Section 25 of the Rental of Residential
Property Act, made by Robert and Annette
Gallant against Order LD14-067 dated March
6, 2014 issued by the Director of Residential
Rental Property.

BEFORE THE COMMISSION
on Tuesday, the 20th day of May, 2014.

M. Douglas Clow, Vice-Chair
Michael Campbell, Commissioner
Leonard Gallant, Commissioner

Order

Compared and Certified a True Copy

(Sgd.) Susan D. Jefferson

Commission Administrator
Land, Corporate and Appellate Services Division

IN THE MATTER of an appeal under Section 25 of the Rental of Residential Property Act, made by Robert and Annette Gallant against Order LD14-067 dated March 6, 2014 issued by the Director of Residential Rental Property.

Order

BACKGROUND

On March 20, 2014 the Commission received a Notice of Appeal dated the same dated signed by two lessees, Robert Gallant and Annette Gallant (the “Appellants”) requesting an appeal of Order LD14-067 dated March 6, 2014 issued by the Director of Residential Rental Property (the “Director”).

By way of background, on November 20, 2013 Alexander MacKay (“Mr. MacKay”) on behalf of a lessor, Ina Romanchuk (the “Respondent”) filed with the Director a Form 12 – Application by Lessor for Approval of Rent Increase Exceeding Percentage Allowed by Regulation dated November 8, 2014. Subsequently, on November 28, 2014 Mr. MacKay filed with the Director a Form 10 – Notice of Increase in Rent of Residential Premises and a Form 16 – Lessor’s Statement of Income and Expenses.

The matter was heard by the Director on January 10, 2014 and in Order LD14-067 the Director ordered:

“IT IS THEREFORE ORDERED THAT

- 1. The maximum allowable rent for the rental premises located at 67 Central Street, Apartment 1, Summerside, PE shall increase from \$650.00 per month to \$850.00 per month effective April 1, 2014.**

The matter was heard before the Commission on April 17, 2014. The Appellants were present. The Respondent was represented by Mr. MacKay.

EVIDENCE

The Appellants described several problems they have had with the residential premises. It is their position that the Respondent should invest in the residential premises to make it more energy efficient. With heating costs reduced, the financial viability of the residential premises would be improved without the need for such a large rental increase for Apartment #1. The Appellants also submitted that the tenants of the other apartments should bear some of the rental increase if in fact an increase in rent is needed.

The Respondent's representative noted that the four current tenants in the building are "good quality tenants". The Appellant's unit is the only unit that has 220 volt wiring and thus has hook-ups for an electric stove and an electric dryer. The Appellant's unit is a large apartment, measuring 1193 square feet. Heat and electricity is included in the rent. The Respondent's representative noted that he just rented out another unit in a different building for \$900.00 per month and that unit was not as nice as the Appellant's unit.

DECISION

The Commission denies the appeal for the reasons that follow.

The Commission agrees with the decision of the Director in Order LD14-067 to allow an increase in the maximum allowable rent for 67 Central Street, Apartment #1, Summerside PE from \$650.00 per month to \$850.00 per month. While such a large increase in rent is understandably of concern to the Appellants, Apartment #1 does have many features which enhance its value in the market, such as included heating and electricity, wheelchair accessibility and nearly 1200 square feet of living space.

The Appellants have concerns about the condition of the apartment and they requested an inspection in their Notice of Appeal. The Commission has also been advised through staff that the Appellants did formally apply to the Director for an inspection and this may be pursued as a matter separate from the rental increase application.

NOW THEREFORE, pursuant to the *Island Regulatory and Appeals Commission Act* and the *Rental of Residential Property Act*

IT IS ORDERED THAT

1. The appeal is denied.
2. Director's Order LD14-067 is hereby confirmed in its entirety.

DATED at Charlottetown, Prince Edward Island, this 20th day of **May**, 2014.

BY THE COMMISSION:

(sgd. M. Douglas Clow)

M. Douglas Clow, Vice-Chair

(sgd. Michael Campbell)

Michael Campbell, Commissioner

(sgd. Leonard Gallant)

Leonard Gallant, Commissioner

NOTICE

Sections 26.(2), 26.(3), 26.(4) and 26.(5) of the ***Rental of Residential Property Act*** provide as follows:

26.(2) A lessor or lessee may, within fifteen days of the decision of the Commission, appeal to the court on a question of law only.

(3) The rules of court governing appeals apply to an appeal under subsection (2).

(4) Where the Commission has confirmed, reversed or varied an order of the Director and no appeal has been taken within the time specified in subsection (2), the lessor or lessee may file the order in the court.

(5) Where an order is filed pursuant to subsection (4), it may be enforced as if it were an order of the court.

NOTICE: IRAC File Retention

In accordance with the Commission's Records Retention and Disposition Schedule, the material contained in the official file regarding this matter will be retained by the Commission for a period of 2 years.

IRAC141y-SFN(2009/11)