



Order under Section 126 Residential Tenancies Act, 2006

Citation: Parkbridge Lifestyle Communities Inc v Roden, 2026 ONLTB 38912

Date: 2026-05-14

File Number: LTB-L-031714-23

In the matter of: Bloomsbury Drive, Goderich, Ontario, N7A 3Y3
Bluffs View Boulevard, Goderich, Ontario, N7A 3Y3
Cranberry Drive, Goderich, Ontario, N7A 3Y3
Garden Road, Goderich, Ontario, N7A 3Y3
Lake Drive North, Goderich, Ontario, N7A 3Y3
Poplar Lane, Goderich, Ontario, N7A 3Y3
Ruth Street, Goderich, Ontario, N7A 3Y3
Sutton Drive, Goderich, Ontario, N7A 3Y3
Watergate Drive, Goderich, Ontario, N7A 3Y3

Between: Parkbridge Lifestyle Communities Inc Landlord

And

Refer to attached Schedule 2 Tenants

Parkbridge Lifestyle Communities Inc (the 'Landlord') applied for an order permitting the rent charged to be increased by more than the guideline for one or more of the rental units in the residential complex.

A Case Management Hearing was held on October 7, 2025. The Parties were unable to resolve the issues and this application was directed to a written merits hearing.

This application was resolved by a written hearing. The Board received submissions from Tenant Dave Waterfield and Robert Bierling on behalf of the Huron Haven Home Owners Association (HHHOA).

A reply to the Tenant submissions was received from the Landlord.

Preliminary Matters:

Service of the Notice of Case Management Hearing Package

1. The Tenants' representative submits that they received the Notice of Video Hearing (Case Management) package late on September 9, 2025. There was nothing in the submission with respect how this may have resulted in procedural fairness or natural justice issue for the Tenants.

2. The date for the Case Management Hearing was October 7, 2025. The Landlord was ordered to serve the Notice of Video Hearing (Case Management) package 30 days before the hearing date. I note the Landlord's Certificate of Service, filed with the Board indicates that the Landlord served the Notice of Video Hearing on the affected Tenants by regular mail on the August 29, 2025.
3. Pursuant to Rule 3.9 of the Landlord and Tenant Board Rules of Procedure, a document is deemed to be served the fifth day after mailing, which in this case would be September 5, 2025, which is within the 30-day requirement.
4. I find no procedural fairness or natural justice issues arising from the service of the documents.

Request to Amend

5. I have accepted the Landlord's amended application filed with the Board on November 30, 2025.

It is determined that:

6. I find that the Landlord has justified a rent increase above the guideline because the Landlord incurred an eligible capital expenditure for the residential complex or one or more of the rental units in it.

The Definition of Capital Expenditure

7. The Landlord must lead evidence to establish that each of the capital expenditures claimed meets the definition of "capital expenditure" as set out in s. 18(1) of the regulation. It says:

"capital expenditure" means an expenditure for an extraordinary or significant renovation, repair, replacement or new addition, the expected benefit of which extends for at least five years including,

- a. an expenditure with respect to a leased asset if the lease qualifies as determined under subsection (2), and
- b. an expenditure that the landlord is required to pay on work undertaken by a municipality, local board or public utility, other than work undertaken because of the landlord's failure to do it,

but does not include,

- c. routine or ordinary work undertaken on a regular basis or undertaken to maintain a capital asset in its operating state, such as cleaning and janitorial services, elevator servicing, general building maintenance, grounds-keeping and appliance repairs, or
- d. work that is substantially cosmetic in nature or is designed to enhance the level of prestige or luxury offered by a unit or residential complex;

"Eligible" Capital Expenditures

8. In addition to meeting the definition of capital expenditure, each of the Landlord's claimed items must be an "eligible" capital expenditure.

9. Subsections 126(7) and (8) of the Act say:

(7) Subject to subsections (8) and (9) and except under the prescribed circumstances, a capital expenditure is an eligible capital expenditure for the purposes of this section if,

- a. it is necessary to protect or restore the physical integrity of the residential complex or part of it;
- b. it is necessary to comply with subsection 20 (1) or clauses 161 (a) to (e);
- c. it is necessary to maintain the provision of a plumbing, heating, mechanical, electrical, ventilation or air conditioning system;
- d. it provides access for persons with disabilities;
- e. it promotes energy or water conservation; or
- f. it maintains or improves the security of the residential complex or part of it.

(8) A capital expenditure to replace a system or thing is not an eligible capital expenditure for the purposes of this section if the system or thing that was replaced did not require major repair or replacement, unless the replacement of the system or thing promotes,

- g. access for persons with disabilities;
- h. energy or water conservation; or
- i. security of the residential complex or part of it.

The 18-Month Window

10. Pursuant to s. 26(2) of the regulation a rent increase shall not be ordered in respect of a capital expenditure unless the work was completed during the 18-month period ending 90 days before the effective date of the first intended rent increase referred to in the application. In this case the 18-month window is from November 3, 2021 to May 3, 2023.

11. The expenditure must also be "incurred" which essentially means the work must have been paid for prior to the application being filed. This is not an issue with respect to any of the items claimed in this application.

The Useful Life

12. If the expenditure meets the requirements set out above, then the Board must establish the useful life of the work done in order to calculate the allowable increase.

13. Section 27 of the regulation says:

27. (1) The useful life of work done or a thing purchased shall be determined from the Schedule subject to the following rules:

- a. Where the useful life set out in Column 3 of the Tables in the Schedule is less than 10 years, the useful life of work done or a thing purchased shall be deemed to be 10 years.
- b. If, when a thing is purchased, it has previously been used, the useful life of the thing shall be determined taking into account the length of time of that previous use.
- c. If the work done or thing purchased does not appear in the Schedule, the useful life of the work or thing shall be determined with reference to items with similar characteristics that do appear in the Schedule.
- d. Despite paragraphs 2 and 3, for the purposes of making a finding under this section, the useful life of work done or a thing purchased shall not be determined to be less than 10 years.

(2) If the useful life of work done or a thing purchased cannot be determined under subsection (1) because the work or thing does not appear in the Schedule and no item with similar characteristics appears in the Schedule, the useful life of the work or thing shall be what is generally accepted as the useful life of such work or thing but in no case shall the useful life be determined to be less than 10 years.

Capital Expenditure

14. The Landlord justified a rent increase above the guideline because of capital expenditures.

15. The Landlord's evidence justifies a rent increase above the guideline of 3.53%, because of capital expenditures. However, pursuant to subsection 126(11) of the Act, the maximum permitted rent increase above the guideline because of capital expenditures in any year is 3.00%. As a result, the rent increase justified in this Application may be taken as follows: 3.00% in the first year and 0.53% in the second year.

16. The Landlord's application is for the following capital expenditures:

- a. Pool Dosing System Replacement;
- b. Asphalt Road Replacement and Drainage Improvements;

- c. Curb Stop and Water Line Replacements;
- d. Tree Removal; and
- e. Sewer Infiltration Replacement.

17. By way of background the residential complex is a land lease community with 145 rental units.

Capital Expenditure #1 - Pool Dosing System Replacement

18. The Landlord submits that the replacement of a new chemical controller was necessary as the original pool dosing pump was of an undetermined age and was no longer operational. An automatic controller monitors and adjusts the pool chemistry by dispensing chemicals (chlorine and muriatic acid) as required for Class B Pools under O. Reg. 565, R.R.O. 1990.

19. The scope of the work based on the invoice from the contractor LIV North Inc. involved the supply and installation of:

- 15 Gallon solution bin with lid;
- 30 Gallon Solution bin with lid;
- New chemical controller;
- Liquid solution feeder;
- Chemical controller;
- Liquid chlorine solution feed; and
- Liquid acid solution feed.

Challenge to Eligibility – Maintenance vs. Capital Expenditure

20. The Tenants submit that work undertaken by the Landlord is more in the nature of maintenance and as a result the Tenants should not be required to pay for the replacement. It is the Tenants' position that the pool and pool dosing system are amenities and therefore any maintenance or upkeep of the swimming pool or equipment should be included in the monthly rent. The Tenants direct the Board to the Landlord sales website which states in part: "Monthly rent includes ... maintenance of common greenspaces, parks, roads, walkways, community facilities, hall spaces, and related equipment." Accordingly, the Tenants submit that this item should be denied.

21. In its reply, the Landlord acknowledges that the pool dosing system is an amenity and costs associated with the normal maintenance of the system would be covered as part of the monthly rent. However, the replacement of the system is not normal maintenance and the leases signed by the Tenants clearly states that rent does not include capital expenditures nor preclude the Landlord from applying for an above guideline increase for same. The Landlord advises that the system was replaced prior to the reconstruction of the original pool and once the work was completed the pool dosing system was reconnected and placed back in service.

Analysis

22. For the purposes of clarity, the monthly rent covers daily expenses including routine or ordinary maintenance of the mobile home park. Guideline increases set by the government covers inflationary increases in costs. Section 126 of the Act specifically provides that a landlord may apply for an AGI for eligible capital expenditures incurred respecting the residential complex or rental unit.
23. Pursuant to subsection 18(1)(c) of O. Reg. 516/06 an eligible capital expenditure does not include:
- (c) routine or ordinary work undertaken on a regular basis or undertaken to maintain a capital asset in its operating state, such as cleaning and janitorial services, elevator servicing, general building maintenance, grounds-keeping and appliance repairs.
24. The question for the Board to consider is whether the replacement of the pool dosing system could be deemed to be “routine or ordinary work undertaken on a regular basis”. Given the nature, scope, and cost of the work undertaken by the Landlord, I find that this project is neither routine maintenance nor ordinary work. I am satisfied the pool dosing system replacement meets the definition of capital expenditure contained in s.18(1) of the O.Reg 516/06 as it was a significant replacement, the expected benefit of which extends for at least five years. It also meets the test for eligibility under subsection 126(7)(b) of the Act because it was necessary to comply with the Landlord’s maintenance obligation under 20(1).
25. Notwithstanding that the replacement of the pool dosing system was completed prior to the reconstruction of the pool, which was the subject of a separate L5 application, the Landlord is permitted to seek this capital expenditure under this L5 application as the work was completed within the 18-month period, 90 days before the first effective date set out in the L5 application.
26. The cost claimed for this item is \$9,151.53.

Useful Life

27. As set out above, if the expenditure meets the requirements set out in the Act and O. Reg. 516/06, then the Board must establish the useful life of the work done in order to calculate the allowable increase. Based on the “Useful Life of Work Done or Things Purchased” (the ‘Schedule’) found at the end of O. Reg. 516/06: Pool dosing system should be classed at 15 years per Table 9 - Item 16, Swimming pool pump, filter.
28. The concept of the useful life of a capital expenditure is important because the calculation of the permitted above guideline rent increase is spread over the useful life. At the end of the useful life period the increase comes out of Tenants’ rents.

Capital Expenditure #2 - Asphalt Road Replacement and Drainage Improvements

29. The Landlord submits that the work was necessary due to the poor surface condition of the east end of Ruth Street and the ponding of water. The asphalt surface had deteriorated with significant cracks and ruts forming parallel to the roadway.
30. The scope of the work based on the invoice from the contractors including Pickard Construction and Art's Landscaping and Garen Centre Ltd. involved the following:
- Hydrovac services;
 - Saw cut all driveway ends;
 - Remove existing asphalt and dispose of off site;
 - Add necessary 'A' gravel fine grade and compact
 - Resurface with asphalt (East end of Ruth Street from Lake Drive to Watergate Drive; and
 - Install one 12" catch basin and install 4" drainage filter wrapped tile to ditch outlet and backfill with stone and restore lawn.
31. The Landlord submits that the work was "eligible" because it was necessary to maintain the mobile home park roads and sewage disposal system in a good state of repair.

Challenge to Eligibility – Maintenance vs. Capital Expenditure

32. While the Tenants do not dispute the necessity of the work, they submit that work undertaken by the Landlord for this item is more in the nature of maintenance and as a result the Tenants should not be required to pay for the asphalt road replacement or the drainage improvements. In support of their claim the Tenants direct the Board to a letter from Kelsey Cannon, the property manager, dated August 11, 2022 which indicates that the work performed is considered "repairs". I believe it is the Tenants' position that this item should be denied because it does not meet the definition of a capital expenditure.
33. In its reply, the Landlord submits that the project undertaken involved the replacement of asphalt and the installation of new drainage was significant both in terms of the scope of work and cost.

Analysis

34. As stated above, the issue for the Board to determine is whether this project meets the definition of a capital expenditure. Given the nature, scope, and cost of the work undertaken by the Landlord, I find that this project is neither routine maintenance nor ordinary work. I am satisfied the asphalt road replacement and drainage improvement project meets the definition of capital expenditure contained in s.18(1) of the O.Reg 516/06 as it was a significant replacement, the expected benefit of which extends for at least five years. It also meets the test for eligibility under subsections 161(b) of the Act because it was necessary to

maintain the mobile home park roads in good state of repair and s. 161(d) of the Act because it was necessary to maintain the sewage/water disposal system in the mobile home park in a good state of repair.

Challenge to Costs

35. The cost claimed for this item in the application is \$43,906.43.

36. The Tenants in their submissions seek to challenge invoice #99781 from Picard Construction totaling \$1,384.53 for “hydrovac services” because the invoice does not specify the exact location in the mobile home park that the service was provided or for what reason.

37. There is no requirement that an invoice must identify the exact location in the complex where the services were rendered. Upon careful review of the invoices, I am satisfied that the “hydrovac services” were used to facilitate the installation of the catch basin and drainage filter.

38. The cost for this capital expenditure is \$43,906.43

Useful Life

39. As set out above, if the expenditure meets the requirements set out in the Act and O. Reg. 516/06, then the Board must establish the useful life of the work done in order to calculate the allowable increase. Based on the “Useful Life of Work Done or Things Purchased” (the ‘Schedule’) found at the end of O. Reg. 516/06:

- Asphalt repaving should be classed at 15 years per Table 1 - Item 9, Asphalt parking lots, driveways and walkways; and
- Drainage Improvements should be classed at 25 years per Table 13 – Item 39, Storm system.

Capital Expenditure	Cost	% of Total Cost	Useful Life	Weighted Useful Life
Asphalt	\$42,008.03	95.7%	15	14.35
Drainage Improvements	\$1,898.40	4.30%	25	1.08
Total	\$43,906.43			15.4

40. The useful life for this capital expenditure is 15 years.

Capital Expenditure #3 - Curb Stop and Water Line Replacements

41. It is the Landlord’s evidence that the work was necessary as the curb stops and water lines servicing the lots were at the end of their useful life. The Landlord advises that the residential complex was developed in the 1970s and many of the water distribution lines are understood to be original. Curb stops are installed on the main water line where they branch off to individual homes. The Landlord submits they experienced failures at 10 points in the distribution system.

42. The scope of the project involved excavation of the soil around the system failures, removing saturated soil and standing water with a hydro-vac, repair or replace the damaged curb stops and water lines as needed, backfill trench with gravel and soil, and replace sod.
43. The Landlord submits that the work was “eligible” because it was necessary to maintain the mobile home park water supply system in a good state of repair.

Challenge to Eligibility – Lack of Permits / Workmanship

44. The Tenants raise concerns in respect to the quality of work performed. The Tenants submit that some of the repair locations have 4 invoices associated with them; which suggests some of the work is not being done properly. Also, they relate to 18 different dates, covering 10 months (November 2021 to August 2022).
45. The Tenants also advise that one resident did not believe the project was being done according to provincial code. He contacted the building inspector at the Township of Ashfield-Colborne-Wawanosh, and upon inspection, it was determined that the work was not being done to code. The Tenant submits that the Landlord was forced to get a building permit for the work being done at this location and have the work inspected. When inspected, the work did not pass and it had to be redone (required 4 different inspections).
46. The Tenants acknowledge that they were told by the building inspector that the issuing of a building permit for this type of work is a judgement call and is up to the township if they wish to issue one or not. It is the Tenants’ position that the lack of a permit casts a shadow over all the work performed and to the quality of the work.
47. The Landlord in its reply submits the water system is operated under an Environmental Compliance Approval from the provincial Ministry of Environment, Conservation and Parks (MOECP); consequently, there is no approval or further permits required to undertake repair and replacement work to the water distribution system. Furthermore, based on the Tenants’ own submissions the information they received from the municipality, suggests that obtaining a municipal permit is discretionary. It is the Landlord’s position that there is no qualification in the Act or O. Reg 516/06 that would preclude capital expenditure work that may have been undertaken without a permit.

Analysis

48. The Landlord is correct there is nothing in the legislation that would disqualify a landlord from seeking costs for a capital expenditure based solely on whether a discretionary municipal permit was obtained. I note that there is nothing in the Tenants’ submissions to suggest there are any outstanding work orders from the township or the municipality relating to the curb stops and water lines replacement project. The Tenants’ request that this item be dismissed based on the lack of permits or quality of work is denied.

Challenge to Eligibility – Maintenance vs. Capital Expenditure

49. While the Tenants do not dispute the necessity of the work, they once again submit that given that the Landlord only repaired and did not replace the entire system it must be maintenance and not a capital expenditure. It is the Tenants' position that this item should be denied.
50. Given the nature, scope, and cost of the work undertaken by the Landlord, I find that this project is neither routine maintenance nor ordinary work. I am satisfied the curb stop and water line replacement project meets the definition of capital expenditure contained in s.18(1) of the O.Reg 516/06 as it was a significant replacement, the expected benefit of which extends for at least five years. It also meets the test for eligibility under subsection 161(d) of the Act because it was necessary to maintain the mobile home park water supply system in a good state of repair.

Challenge to Costs

51. The costs claimed for this item in the application is \$42,348.24.
52. The Tenants in their submissions seek to challenge a number of the invoices being claimed for this capital expenditure alleging they do not relate to work undertaken for this mobile home park.

Art's Landscaping and Garden Centre Ltd. Invoices

53. The Tenants submit that the four invoices from Art's Landscaping and Garden Centre Ltd are for another mobile home park and not Huron Haven.
54. In its reply submissions, the Landlord is in agreement with the Tenants that the invoices should be removed as costs associated with this capital expenditure.
55. Accordingly, the total cost claimed for this capital expenditure shall be reduced by \$3,484.92 (\$1,118.70 + \$1,281.42 + \$444.09 + \$640.71).

Picard Construction (Invoices #99417 & #96920)

56. The Tenants submit that the invoice #99417 for \$5,299.98 is for a project located at "3 Central Huron" which has no apparent relation to Huron Haven and should be removed as a cost for this capital expenditure. As for invoice #96920, the Tenant submit there are no locations are specified within the park to establish exactly where the work was done. Furthermore, the Tenants question why two trucks were required.
57. In its reply, the Landlord submits that the services/invoice #99417 relates to work performed at 24 Ruth Street, where there was a major break in the water line. The leak was investigated July 5, 2022 and the repair work carried out July 11-12, 2022. The work performed by Pickard is also referenced on the Bruinsma invoice #7401. The Landlord also submits that invoice #96920 relates to a major repair and curb stop replacement in the vicinity of 40 Cranberry Drive. The work

was carried out over several days (February 15-18/22) with work performed by Pickard Construction, Bruinsma Excavating, Hoffmeyer Plumbing, and Clearford (the water system operator) reflected in the supporting invoices.

Analysis

58. Although the Picard Construction invoice #99417 identifies the project as “LDN22020 HUR 3 CENTRAL HURON” is somewhat ambiguous as it does not specifically identify the mobile home park, I am satisfied there is sufficient evidence to establish that the invoice relates to work completed at the residential complex. I say this for the following reasons, as set out in the invoice, the “hydrovac services” were performed on both July 11, 2022 and July 12, 2022. The Bruinsma Excavating Ltd. invoice #7401 dated July 26, 2022 relating to the water service repair on July 11 and 12, 2022 specifically states “Hook up temporary water service *Pickards Dug*”. Based on the documentary evidence of the invoices, I am satisfied the Picard Construction invoice #99417 does in fact relate to the work performed at the residential complex for this item.
59. In respect to invoice #96920, I am satisfied based on the documentary evidence in the form of invoices that the “hydrovac services” provided relate to the curb stop and waterline replacement at the residential complex. The issue of whether two trucks were necessary is not relevant to these proceedings.

Sparlings Propane (Invoice #88141940944543)

60. In their submissions, the Tenant seek to challenge the costs claimed by the Landlord in the amount of \$180.74 to move a propane tank. It is the Tenants’ position that moving a propane tank would not meet the definition of a capital expenditure and therefore should be denied.
61. The Landlord did not specifically address this issue in their reply submissions.

Analysis

62. The invoice from Sparlings Propane describes the work performed as “MOVED 1 X 420 TO NEW LOCATION DUE TO WATER LINE REPAIR”. There are many necessary expenditures directly related to a major capital improvement, such as the cost of reports and inspections by engineers and erecting scaffolding needed to reach and complete a job. These expenditures are not for the item being replaced or repaired but are nonetheless necessary for the work to be completed and as such can be considered a component of the total capital expenditure. I find the cost to move a propane tank because of the water line replacement to be directly related to the eligible capital expenditure. The Tenants’ request is denied.
63. The revised cost for this capital expenditure is \$38,863.32 (\$42,348.24 - \$3,484.92).

Useful Life

64. Based on the 'Schedule' found at the end of O. Reg. 516/06: Curb Stop and Water Line Replacements should be classed at 20 years per Table 13 - Item 43, Wells and water systems.

Capital Expenditure #4 - Tree Removal

65. It is the Landlord's evidence that the residential complex is more than 40 years old and contains significant mature tree coverage throughout the community. During the course of the year the Landlord compiles a list of dead, damaged and deteriorated trees that pose a potential harm to property, infrastructure or individuals. The Landlord hired an arborist to complete an assessment and to make recommendations, along with costing for the proposed work.
66. The scope of the work involved the remove of a total of 10 trees and related stump grinding.
67. The Landlord submits that the work was "eligible" because it was necessary to maintain the mobile home park grounds.

Challenge to Eligibility – Maintenance vs. Capital Expenditure

68. The Tenants submit that the work performed was maintenance and not a capital expenditure. In support of that claim the Tenants direct the Board to the Huron Haven Resident Lease, Schedule "D" which identifies "Tree maintenance, including pruning, cutting and replacing trees on common areas" as being included in the maintenance charges.
69. In its reply, the Landlord agrees that the cost of any work performed to the trees in the nature of trimming, pruning, windfall and brush clean up is absorbed by the Landlord as routine maintenance. The AGI application only reflects the costs associated with tree removal and related stump grinding.
70. A careful review of the invoices reflects that the only costs sought by the Landlord for this item is for the tree removal and related stump grinding and not general maintenance.
71. Given the nature, scope, and cost of the work undertaken by the Landlord, I find that this project is neither routine maintenance nor ordinary work. I am satisfied the tree removal project meets the definition of capital expenditure contained in s.18(1) of the O.Reg 516/06 as it was a significant replacement, the expected benefit of which extends for at least five years. It also meets the test for eligibility under subsection 161(e) of the Act because it was necessary to maintain the mobile home park grounds.

Challenge to Costs Claimed

72. The Tenants in their submissions seek to challenge invoice #2022-59 from Canopy Tree Care totaling \$2,034.00 for the removal of two trees from "11 West

Coast Way". The Tenants submit that the location is the connecting road from Highway 21 to the community known as The Bluffs and not in Huron Haven park.

73. The Landlord did not address this issue in their reply submissions.

74. Based on the evidence before me, I am satisfied that invoice #2022-59 from Canopy Tree Care totaling \$2,034.00 does not involve this mobile home park. The amount of the invoice will be deducted from the total amount claimed.

75. The revised cost for this item is \$16,724.00 (\$18,758.00 - \$2,034.00).

Useful Life

76. Based on the 'Schedule' found at the end of O. Reg. 516/06: Tree removal should be classed at 20 years per Table 1 - Item 5, Dead tree removal.

Capital Expenditure #5 - Sewer Infiltration Replacement

77. It is the Landlord's evidence that the park is serviced by a private sewage collection system. The sewage is collected from the homes through lateral collection lines connected to manholes situated throughout the community. The sewage is gravity fed to a central lift station where it is pumped to the sewage lagoon. The sewage collection lines at the manholes were compromised, and surface water was entering the system during significant rain events and spring snow melts which resulted in overcapacity within the sewage lagoon. The Landlord submits that the manholes and sewer collection system is more than 40 years old and well past its useful life.

78. The Landlord submits that it undertook a review of the sanitary system and discovered evidence of line failures and system blockages within the individual manholes throughout the complex. In support of its claim the Landlord submitted into evidence a Video Inspection Report drafted by Liquid Logics.

79. The scope of the sewer infiltration replacement project based on the documentary evidence involved:

- Camera inspection and flushing;
- Excavation as required to install manholes and drainage lines
- Hydro vac around culverts where needed;
- Install new concrete manhole;
- Repair pipes and seal;
- Replace HHE Sewage Line Catch Basin; and
- Backfill areas.

80. The Landlord submits that the work was "eligible" because it was necessary to maintain the sewage disposal system and address drainage related deficiencies.

Sufficient Details

81. The Tenants submit no details have been provided showing the scope of the work being performed; there are no maps showing the sewer lines and locations

of the manholes; and there are no reports detailing the scope of the work needing to be done.

82. I would disagree, the Landlord's Evidence Brief contains the Video Inspection Report drafted by Liquid Logics as well as pictures of each manhole and their location on a map of the park. The numbers assigned to manholes correspond to the numbers on the invoices from Bruinsma Excavating Ltd.

Challenge to Eligibility – Maintenance vs. Capital Expenditure

83. The Tenants submit that the Landlord's own document entitled "What Does My Rent Include" specifically states that drainage and underground infrastructure repairs are covered by their rent. In addition, the Tenants seek to challenge the invoice from CT Environmental #5638 totaling \$10,480.75 for "camera inspection, flushing @ Huron Haven – 8 Colborne Street" as relating to this complex and whether it can be considered a capital expenditure. It is the Tenant's position that work undertaken by the Landlord is maintenance and therefore does not meet the definition of a capital expenditure.
84. In its reply, the Landlord submits the street address of 8 Colborne Street is in Huron Haven park. The Landlord advises that Colborne Drive was renamed to Cranberry Drive prior to the commencement of the project, and the contractor used the historical naming convention when issuing their invoice.
85. In response to the Tenants submission that costs associated with site camera inspections, flushing, etc. can not be considered a capital expenditure, the Landlord submits the camera work is an integral component to determine to locate and repair damaged system.

Analysis

86. As stated above, there are many necessary expenditures directly related to a major capital improvement, as in this case camera inspections and flushing to locate damaged underground pipes. These expenditures are not for the item being replaced or repaired but are nonetheless necessary for the work to be completed and as such can be considered a component of the total capital expenditure. I am satisfied the cost associated with camera inspection and flushing to be directly related to the eligible capital expenditure.
87. As stated above, the definition of a capital expenditure does not include routine or ordinary work undertaken on a regular basis or undertaken to maintain a capital asset in its operating state.
88. Having regard for the nature, scope, and costs associated with the work project undertaken by the Landlord, I find that this project is neither routine maintenance nor ordinary work. I am satisfied that the sewer infiltration replacement project meets the definition of capital expenditure contained in s.18(1) of the O.Reg 516/06 as it was a significant replacement, the expected benefit of which extends for at least five years. It also meets the test for eligibility under subsections 126(7)(b) of the Act as it was necessary to comply with the Landlord's

maintenance obligations under 20(1) and s. 161(d) of the Act because it was necessary to maintain the sewage disposal in a good state of repair.

Useful Life

89. The application indicates the Landlord assigned a useful life to the Sewer Infiltration Replacement project of 20 years but having regard for the scope of the work involved for this item and based on the Schedule this capital expenditure should be classed at 25 years per:

- Table 13 – Item 37 Sanitary system; and
- Table 13 – Item 29 Storm System.

90. I am satisfied the correct useful life to use is not 20 years as claimed but 25 years.

91. The weighted useful life for the capital expenditures is 22 years.

General

92. The Certificate of Service filed by the Landlord on December 2, 2025, indicates that some rental units listed in the application were not served with the application and notice of hearing. The LTB shall therefore amend the application by removing these rental units. As a result, this order for a rent increase above the guideline under section 126 of the Act does not apply to the following Tenants and units:

Bloomsbury Drive: 4, 30, 38;
Bluffs View Boulevard: Deborah Tughan, Robert Spittal;
Cranberry Drive: 39, 46;
Garden Road: 4, 12;
Poplar Lane: 4, 12;
Ruth Street: 2, 4, 8, 22, 27;
Sutton Drive: 3, 13, 16, 19, 24, 30, 38; and
Watergate Drive: 7, 13 and 30.

93. The first effective date of the rent increase above the guideline is August 1, 2023.

It is ordered that:

1. The Landlord may increase the rents charged by 3.53% for the units set out in Schedule 1.
2. The percentage increase set out in paragraph 1 is to be taken as follows:
 - a. The Landlord may increase the rents charged by 3.00% within the time period of August 1, 2023 to July 31, 2024;
 - b. The Landlord may increase the rents charged by 0.53% within the time period of August 1, 2024 to July 31, 2025.

3. The percentage increase set out in paragraph 1 may be taken in addition to the annual guideline in effect on the increase date for the unit.
4. The Landlord or the Tenants shall pay to the other any sum of money that is owed as a result of this order within 120 days of the date of this order.

May 14, 2026

Date Issued

Guy Savoie

Vice Chair, Landlord and Tenant Board

15 Grosvenor Street, Ground Floor
Toronto ON M7A 2G6

If you have any questions about this order, call 416-645-8080 or toll free at 1-888-332-3234.

Important Notes:

1. The landlord may increase the rent charged by the ordered increase within the time period specified if at least 12 months have passed since the last rent increase or since the tenant moved in, and if the landlord has given the tenant at least 90 days proper Notice of Rent Increase. Any part of the ordered increase that is not taken within the time period specified cannot be added to subsequent rent increases in subsequent time periods.
2. If the landlord has given a Notice of Rent Increase for a rent increase that is less than the ordered increase, the landlord may only take the rent increase set out in the Notice.
3. If the Tenant's rent is increased pursuant to the percentage increase ordered for capital expenditures and the same Tenant remains in the unit after the expiration of the weighted useful life for capital expenditures, then the rent will be reduced. Refer to Schedule 3 for information about the date and amount of the rent reduction.
4. The annual guideline for 2023, 2024 and 2025 is 2.50%.

Schedule 1 - Units affected by this Order:**Bloomsbury Drive, Goderich, Ontario, N7A 3Y3**

2	10	16	22	32	40
6	12	18	24	34	42
8	14	20	28	36	

Bluffs View Boulevard, Goderich, Ontario, N7A 3Y3

1	4
2	5
3	6

Cranberry Drive, Goderich, Ontario, N7A 3Y3

26	30	34	40	44
27	31	35	41	45
28	32	36	42	47
29	33	38	43	49

Garden Road, Goderich, Ontario, N7A 3Y3

2	10
6	14
8	

Lake Drive North, Goderich, Ontario, N7A 3Y3

3

Poplar Lane, Goderich, Ontario, N7A 3Y3

2	8	14
6	10	

Ruth Street, Goderich, Ontario, N7A 3Y3

1	7	12	19	24	29
3	9	13	20	25	31
5	10	15	21	26	
6	11	17	23	28	

Sutton Drive, Goderich, Ontario, N7A 3Y3

1	6	10	17	22	32
2	7	11	18	25	34
4	8	12	20	26	36
5	9	15	21	28	40

Watergate Drive, Goderich, Ontario, N7A 3Y3

2	8	14	17	26	29
4	10	15	20	27	31
6	11	16	24	28	33

Schedule 2 - Tenants who are Affected by this Order:

Aalbers, Jac	Devlin, Thomas
Anderson, Gary	DeWeese, Lois
Anderson, Joanne	Dixon, Eldon
Anderson, John	Elliott, Don
Arumets, Anita	Finch, Karen
Ashton, Barbara	Finch, Kenneth
Ashton, Wayne	Finsten, Michael
Atfield, Serena	Foertch, Susan
Barfoot, Larry	Fox, Catharin
Baylis, Julian	Fox, William
Bedard, Pierre	Fry, Beverly
Bedard, Tracey	Furlong, Janice
Bell, Shannon	Germann, Patricia
Berwick, Jean	Gibb, Brenda
Berwick, Richard	Gibb, Charles
Berwick, Tammy	Gignac-Miller, Debbie
Betts, Jennifer	Gilpin, Audrey
Bierling, Robert	Gilpin, James
Boon, Art	Goodege, Joan
Boon, Laura	Goodege, Scott
Boone, Annette	Graham, Louise
Boone, Fred	Graham, Richard
Brindley, Janice	Grant, Estate of Arthur
Britton, John	Haggitt, Marie
Brooks, Daniel	Haranyi, Katherine
Brown, Shirley	Harris, David
Brunkard, Geoffery	Harris, Flora
Burns, Colin	Heard, Alvin
Cameron, Christine	Heard, Sandra
Carter, Donita	Hopkins, Celeste C
Chaves, Eulalia M.	Hopkins, Roland
Chaves, Joe	Ingham, Rebecca
Christianson, Jennifer	Irish, Roy
Chyrl, Stefan	Irwin, Brian
Clarke, Cathy	Irwin, Doug
Coombs, Douglas	Jackson, Calvin
Coombs, Phyllis	Jaegers, Anthony
Crane, Brian	Johnston, Hailey
Crane, Karen	Jurjens, Cheryl
Crawford, Norma	Jurjens, John
Dalrymple, Judy	Kablak, John
Darrieu, Russell	Kecskes, Peter
Denomme, Caroline	Kenny, Inez
Denomme, John Paul	Kenny, Inez
Denomme, Nicholas	Kenny, Jim
Devlin, Louise	Kenny, Jim

Kerr, John
Kerr, Penny
Kerr, Sally
Knoop, Marian
Koswan, Rosemarie
Kuepfer, Rebecca
Ladouceur, Elaine
Ladouceur, Ranald
Lawson, Kris
Lear, Rose
Lee, Rebecca
Lee, Ronald
Lee, Terri
London, Valerie
Lovelock, Kathy Lynn
Malolepszy, Shannon
Malolepszy, Stephen
Mangan, Kyle
Masci, Patricia
Mastin, Robert
Mastin, Sharon
Maxwell, Alysha
McCallum, Karen
McCallum, Mike
McCosh, Ruth
McCosh-Welsh, Janice
McKay, Sandy
McTeer, Darlene
McTeer, Paul
McWhinney, Robert
McWhinney, Robert C.
Mephram, Ina
Miller, Carol
Miller, Rick
Monk, Robert
Murray, Karen
Murray, William
Neish, Ron
Norman, Cindy
Norman, Jeff
Norris, Rick
Nowell, Amanda
Nowell, Nathan
Oliver, Shawn
Ozga, Anthony
Ozga, Mary
Peralty, Basil
Pinder, Doug
Pinder, Shirley

Potter, Ruth
Potter, Wayne
Procunier, Annette
Rau, Margaret
Rau, Wilfred
Reid, Patricia Lynn
Reynolds, Martin
Roden, Brian
Ross, Caroline
Ross, David
Roy, Kim
Roy, Robert
Salisbury, Don
Salverda, Crystal
Salverda, Ray
Schmidt, Gerard
Scott, Doug
Scott, Joan
Sharpe, Rick
Smith, Kimberly A
Sole, Ed
Sole, Helen
Spittal, Debra
Stevenson, Graham
Sullivan, Fran
Sullivan, John
Taft, Jean
Tatum, Doug
Tatum, Maureen
Thwaites, Jennifer
Thwaites, Terry
Toth, James
Toth, Jean
Vertulia, Judy
Wade, Denise
Wade, William
Walton, Beverley
Waterfield, Dave
Waterfield, Karen
Watmore, Brenda
Weiler, Ralph
Wirtzfeld, Helga
Wisser, Stephanie
Woodcock, Bob
Woodcock, Chris
Young, Richard
Young, Thomas
Zawadzki, Penny

Schedule 3 - Rent Reduction related to Capital Expenditures

A. Date of Rent Reduction

If the Tenant's rent is increased based on capital expenditures during the period 2023 then:

The date of the rent reduction will be the day before:

- the date of the Tenant's first rent increase under this order, plus
- the number of years for the weighted useful life for capital expenditures for the unit (set out in the order).

Example:

If the Tenant's rent was increased on June 1, 2021 and the weighted useful life for capital expenditures is 10 years, then the rent will be reduced on May 31, 2031.

If the Tenant's rent was *not* increased based on capital expenditures during the period 2023 but was increased during the later periods set out in the order then:

The date of the rent reduction will be the day before:

- the First Effective Date of Rent Increase in this order, plus
- the number of years for the weighted useful life for capital expenditures for the unit (set out in the order).

Example:

If the first effective date of increase in this order is April 1, 2021 and the weighted useful life for capital expenditures is 10 years, then the rent will be reduced on March 31, 2031.

B. Amount of Rent Reduction

If the Tenant's rent is increased by the total percentage increase set out in this order then:

The rent must be reduced by the total percentage increase set out in this order for capital expenditures.

If the Tenant's rent is *not* increased by the total percentage increase set out in this order then:

The rent must be reduced by an amount determined in accordance with the prescribed rules which may be equal to or less than the total percentage increase set out in this order for capital expenditures.