

STATE OF VERMONT

SUPERIOR COURT
Chittenden Unit

CIVIL DIVISION
Docket No. 1145-12-19 Cncv

Pearl Street Housing Venture, LP,
Appellant

v.

Shana Casava,
Appellee

VERMONT SUPERIOR COURT
FILED

JAN 22 2020

CHITTENDEN UNIT

RULING ON APPEAL

This is an appeal from the Burlington Housing Board of Review. The Board found that the landlord, Pearl Street Housing, had improperly returned the security deposit in this matter to Champlain Valley Office of Economic Opportunity (CVOEO) instead of to the tenant, Shana Casava. Landlord appeals.

The Board found that CVOEO had paid Casava's security deposit of \$1,082, with a cover letter asking that it be returned to CVOEO (after any deductions) when her tenancy terminated. The letter stated:

Please be advised that this deposit is being paid through federal or state grant funding. **When the tenant leaves the unit, please return this letter, along with the deposit (minus any allowable deductions) to our office.**

August 1, 2018 Letter (emphasis in original). That is what Landlord did, sending a timely letter to Casava advising her that the deposit had been returned to CVOEO. Casava objected, and the Board agreed with her. The Board ruled that because the statute and the Burlington Minimum Housing Code state that security deposits are to be returned to the tenant, Landlord was required to send the money to Casava.

The statute at issue states that a landlord "shall return the security deposit along with a written statement itemizing any deductions to a tenant within 14 days" of learning

the tenant has left. 9 V.S.A. § 4461(c). The Burlington code likewise requires return of the deposit to the tenant. Burlington Code of Ordinances § 18-120(c). Citing In re Soon Kwon, 2011 VT 26, 189 Vt. 598 (mem.), the Board concluded that this language must be strictly construed, requiring payment to the tenant even though the funds came from CVOEO.


While the Board's interpretation of the law was not unreasonable, the court concludes that the Board erred. The statute and the ordinance refer to *returning* a deposit to a tenant. That implies receipt of the deposit from the tenant. One does not return something unless it was given in the first place. If the payment was from someone else, with the clear intent that it would remain that payor's funds rather than the tenant's, there is no one to "return" it to other than the place it came from. Moreover, interpreting the law as the Board did might well lead to entities such as CVOEO deciding not to assist tenants with such funds, a result that would be detrimental to both landlords and tenants. The Legislature could not have intended such a result.

While the Board was correct that Landlord should have added interest to the check to CVOEO per statute, that is a moot point as it is an issue only CVOEO, not Casava, would have standing to raise.

Order

The ruling of the Board is reversed. Payment of the security deposit to CVOEO satisfied the statute and ordinance.

Dated at Burlington this 21st day of January, 2020.


Helen M. Toor
Superior Court Judge