



Broadcasting Decision CRTC 2013-433

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Route reference: 2013-256

Ottawa, 23 August 2013

Lillooet Camelsfoot T.V. and Radio Association Lillooet, British Columbia

Application 2013-0433-6, received 11 March 2013

Public hearing in the National Capital Region

22 July 2013

CHLS-FM Lillooet – Acquisition of assets

*The Commission **approves** an application by Lillooet Camelsfoot T.V. and Radio Association for authority to acquire from Radio Lillooet Society the assets of the English-language low-power community radio station CHLS-FM Lillooet, and for a broadcasting licence to continue the operation of the station.*

Introduction

1. Lillooet Camelsfoot T.V. and Radio Association (Camelsfoot Association) filed an application for authority to acquire from Radio Lillooet Society (Radio Lillooet) the assets of the English-language low-power community radio station CHLS-FM Lillooet, British Columbia, and for a broadcasting licence to continue the operation of the station under the same terms and conditions as those in effect under the current licence. The Commission received one intervention in support of this application.

Background

2. In Broadcasting Decision 2003-420, the Commission issued a broadcasting licence to Radio Lillooet to operate CHLS-FM. In 2004, Radio Lillooet and Camelsfoot Association, both not-for-profit corporations, merged their activities but remained separate legal entities. The merger was meant to give CHLS-FM access to Camelsfoot Association's financial resources, thereby allowing the station to continue to operate and to serve the community.
3. Following the merger, Camelsfoot Association began operating the station. Neither Camelsfoot Association nor Radio Lillooet requested the Commission's approval for authority to acquire the assets and change the effective control of the station or informed the Commission of the change. Radio Lillooet has since been dissolved by the B.C. Corporate Registrar following its failure to file its annual reports.

4. In 2012, Camelsfoot Association filed an application to renew the broadcasting licence for CHLS-FM.¹ During the review of that application, the Commission became aware of the change to the name of the licensee and requested that it file an application to come into compliance.
5. Prior to its dissolution, Radio Lillooet was a not-for-profit corporation controlled by its board of directors.
6. Camelsfoot Association is a not-for-profit corporation controlled by its board of directors.
7. As a result of the transaction, Camelsfoot Association will become the licensee of CHLS-FM.

Non-compliance with section 11(4)(a) of the *Radio Regulations, 1986*

8. Section 11(4)(a) of the *Radio Regulations, 1986* (the Regulations) sets out that

Except as otherwise provided pursuant to a condition of its licence, a licensee shall obtain the prior approval of the Commission in respect of any act, agreement or transaction that directly or indirectly would result in (a) a change by whatever means of the effective control of its undertaking [...].

9. Given the above and since the licensee enacted its transaction without prior approval, the Commission finds that the licensee failed to comply with section 11(4)(a) of the Regulations.

Non-compliance with section 9(2) of the Regulations

10. In Broadcasting Public Notice 2013-256, the Commission noted that the licensee was in apparent non-compliance with section 9(2) of the *Regulations* relating to the filing of annual returns for the 2003-2004, 2004-2005, 2006-2007, 2007-2008 and 2008-2009 broadcast years.
11. The manager of the station indicated that he could not explain the late filing of annual returns since he became manager of the station in 2009. However, he also stated that he has been developing a calendar to schedule upcoming submissions required by the Commission and that the board of directors planned to shift the regularly scheduled date of its annual general meeting to align its fiscal year with the Commission's broadcast year.

¹ The original expiry date of CHLS-FM's broadcasting licence was 31 August 2009. The licence was administratively renewed as a result of Broadcasting Decisions 2009-334, 2011-557-1, 2012-472 and 2013-137.

12. Given the above, the Commission finds the licensee in non-compliance with section 9(2) of the Regulations for the 2003-2004, 2004-2005, 2006-2007, 2007-2008 and 2008-2009 broadcast years.

Commission's analysis and decisions

13. The Commission notes that the acquisition of assets and change of effective control has already occurred and that approval of the application would allow the station to come into compliance with its ownership requirements.
14. The Commission also notes that CHLS-FM's compliance with its regulatory requirements has improved since 2009.
15. In light of all of the above, the Commission **approves** the application by Lillooet Camelsfoot T.V. and Radio Association for authority to acquire from Radio Lillooet Society the assets of the English-language low-power community radio programming undertaking CHLS-FM Lillooet.
16. Consistent with its revised approach for dealing with non-compliance by radio stations set out in Broadcasting Information Bulletin 2011-347, and taking into account the measures taken by Camelsfoot Association to ensure future compliance with its regulatory obligations, the Commission considers it appropriate to grant CHLS-FM a short-term licence.
17. Accordingly, the Commission revokes the current licence issued to Radio Lillooet Society, which has been dissolved, and will issue a new broadcasting licence to Lillooet Camelsfoot T.V. and Radio Association to operate the English-language low-power community radio programming undertaking CHLS-FM Lillooet, British Columbia, under the **conditions of licence** set out in the appendix to this decision. The new licence will expire on 31 August 2018. This short-term licence will allow for an earlier review of CHLS-FM's compliance with the Regulations and its conditions of licence.
18. The Commission will review CHLS-FM's performance at the time of its next licence renewal. In addition, the Commission reminds all licensees of community and campus stations that they must remain in compliance with the Regulations at all times and expects the licensees to seek prior approval for any future act, agreement or transaction that directly or indirectly would result in a change of control.

Other matters

19. The Commission directs Camelsfoot Association to file, within 60 days of this decision, executed copies of all corporate documents (including but not limited to certificate and articles of incorporation, certificate of amendment, Bylaws, etc.).

Secretary General

Related documents

- *Notice of hearing*, Broadcasting Notice of Consultation CRTC 2013-256, 22 May 2013
- *CHLS-FM Lillooet – Administrative renewal*, Broadcasting Decision CRTC 2013-137, 19 March 2013
- *Administrative renewals*, Broadcasting Decision CRTC 2012-472, 31 August 2012
- *Administrative renewals – Corrections*, Broadcasting Decision CRTC 2011-557-1, 23 September 2011
- *Administrative renewals*, Broadcasting Decision CRTC 2009-334, 9 June 2009
- *Community FM radio station in Lillooet*, Broadcasting Decision CRTC 2003-420, 26 August 2003

**This decision is to be appended to the licence.*

Appendix to Broadcasting Decision CRTC 2013-433

Terms and conditions of licence of licence for the English-language low-power community radio programming undertaking CHLS-FM Lillooet, British Columbia

Terms

The licence will expire on 31 August 2018.

Conditions of licence

1. The licensee must adhere to the conditions set out in *Standard conditions of licence for campus and community radio stations*, Broadcasting Regulatory Policy CRTC 2012-304, 22 May 2012, as amended from time to time.