

LICENSING AND COMMUNITY STANDARDS BOARD DECISION

PRESIDING OFFICER: T. HEGER
PANEL MEMBER: S. CROOKS K.C.
PANEL MEMBER: D. WIELINGA

BETWEEN:

GP WATER HEATER TRUST O/A RELIANCE COMFORT LIMITED PARTNERS (“Reliance”)

Represented by Jeremy Ellergodt and Saleem Koube, Whitelaw Twinning

Appellant

and

CITY OF RED DEER (“City”)

Represented by Erin Stuart, Inspections and Licensing Manager & Jared McBeth, Associate City Solicitor

City Authority

DECISION:

The Licensing and Community Standards Board (“LCSB”), substitutes its own decision regarding the Appellant’s Revoked Business Licence (Licence # 400002984), which was revoked on February 20, 2025 by the City. The Licence is reinstated with the following six (6) conditions:

GP WATER HEATER TRUST O/A RELIANCE COMFORT LIMITED PARTNERS (“Reliance”) shall:

1. Provide the City of Red Deer with a regularly updated list of sub-contractors which may do business within Red Deer on behalf of Reliance, including contact information for the principal of each sub-contractor;
2. Provide the City with the name and contact information for a designated point of contact on Reliance’s Senior Management or Executive Leadership Team;
3. Ensure all required permits are obtained for all jobs requiring permits prior to installation/work commencing;

4. Ensure inspections are completed within 30 days of work completion and shall notify the City prior to the expiry of the 30 days in the event of any challenges completing an inspection;
5. Provide a monthly update on the status of all outstanding permits to the Safety Codes Officer;
6. Within 14 days of the date of this decision, apply for, and diligently pursue, a Development Permit pursuant to the City of Red Deer's Zoning Bylaw (Bylaw 3357/2024) for Reliance's premises at #5, 4845 79 Street in Red Deer.

These conditions shall remain in effect until December 31, 2026 and shall attach to the Appellant's 2025 and 2026 Business Licences.

A detailed summary of the decision follows.

JURISDICTION AND ROLE OF THE BOARD

1. The Board is established by The City of Red Deer, Bylaw 3680/2022, Red Deer Tribunals Bylaw, April 11, 2022. The duty and purpose of the Board is to hear and make decisions on appeals for which it is responsible.
2. On appeal, section 50 of the *Business Licence Bylaw*, Bylaw 3609/2018 grants the Board the authority to uphold the decision of the City Manager, vary the decision of the City Manager or substitute its own decision, or overturn the decision of the City Manager.
3. There were no conflicts identified by the Board Members. None of the parties had any objection to the constitution of the Board.
4. There were no preliminary issues for the Board to decide.

BACKGROUND

5. On August 23, 2024, the City suspended the Appellant's business licence effective August 30, 2024 for repeated concerns and issues relating to outstanding permits. The City's suspension letter informed the Appellant that their business licence would remain suspended until it satisfied the conditions of its outstanding permits and paid outstanding fines. The Appellant did not appeal the licence suspension.
6. On February 14, 2025, the Appellant satisfied the remaining conditions for licence reinstatement, namely the completion of the 17 outstanding permits. The licence was not reinstated on that day.
7. On February 18, 2025, the City was notified by a homeowner that the Appellant installed a furnace at their residence within Red Deer on December 26, 2024, while the Appellant's licence was suspended. The installation was completed without the requisite permit.
8. On February 20, 2025, the City revoked the Appellant's business licence and instructed Reliance to cease all business activity immediately. That same day, the City's Licence Inspector issued a violation

ticket for an offence pursuant to section 46 of the Business Licence Bylaw which is an offence of operating a business while the business licence is suspended.

9. The Appellant filed an appeal with the LCSB on March 5, 2025. A Notice of Hearing was issued to both Parties, Reliance and the City, on March 11, 2025.
10. The Board entered into evidence the documents found in Appendix A. No additional documents were received at the hearing.

SUMMARY OF EVIDENCE AND ARGUMENT:

The City Authority

11. The City began its presentation by laying out a pattern of non-compliance by Reliance over an almost three-year period beginning in April of 2022 and ending on February 14, 2025. During this time, City Safety Codes Officer (“SCO”) Sloboda was required to contact Reliance numerous times to remind them to complete their outstanding permits.
12. On January 24, 2023, SCO Sloboda reached out to the Appellant about some outstanding permits yet to be resolved and additional permit conditions not met. Because the Appellant did not respond to the SCO Sloboda’s request for compliance, SCO Sloboda issued five violation tickets for failing to comply with permit conditions. The matters were set for court on March 11, 2024. The Appellant did not appear to dispute the tickets and was convicted of all five offences in absentia.
13. A decision letter dated August 23, 2024, suspended the Appellant’s business licence effective August 30, 2024. The letter informed the Appellant that the business licence would not be reinstated until it complied with the conditions of its outstanding permits and paid the outstanding fines. The Appellant did not appeal the licence suspension.
14. On December 6, 2024, a Red Deer homeowner, LN, contacted the City to inquire why Reliance could not obtain an inspection on his home furnace replacement. The City advised the homeowner that Reliance did not possess a valid business licence, was not allowed to operate within the city of Red Deer and could not apply for nor obtain a permit. The homeowner provided a statement to the City indicating that Reliance replaced his furnace on October 22, 2024. LN also provided an Installer report and a Heating/Cooling Repair pricing quote for some additional plumbing work. This evidence, provided within the City’s submissions, indicated that Reliance was carrying on business in the city of Red Deer despite the business licence suspension.
15. In December 2024, in conjunction with LN’s complaint, the City’s Licensing department investigated and found that Reliance was advertising as operating from #5, 4845 79 Street in Red Deer. On December 9, 2024, a Development Officer with the City reviewed the approved use at this location and determined that Reliance did not possess the requisite zoning approval.

16. On December 19, 2024, an investigation found that Reliance was carrying on business from #5, 4845 79 Street in Red Deer. Photos showing a Reliance branded van parked in front of the bay door were provided in the City's submissions.
17. On January 20, 2025, the City's SCO laid a charge for an offence pursuant to section 67(4)(a) of the Safety Codes Act, RSA 2000, Ch. S-1. The offence is for contravening section 3(1) of the Permit Regulation, AR 204/2007, for installing a gas furnace on October 22, 2024, (at LN's residence) without a permit.
18. On February 14, 2025, City SCO Carver inspected the final property with outstanding permit conditions. To the City's knowledge, based on this inspection and subsequent representations from Reliance, the 17 outstanding permits at the time of the business licence suspension were resolved.
19. On February 18, 2025, SCO Sloboda was notified by another homeowner, JR, that Reliance installed a furnace at her residence in Red Deer on December 26, 2024. This additional installation occurred while Reliance's business licence was suspended and without the requisite permit.
20. On February 20, 2025, the City issued a letter to Reliance notifying them that the business licence was revoked and that they were to cease all business activity within the city of Red Deer immediately. On that same day, the City's Licence Inspector issued a violation ticket for an offence pursuant to section 46 of the Business Licence Bylaw. The offence was for operating a business for which the business licence is suspended and specifically related to the installation of the furnace at LN's residence on October 22, 2024.
21. The City went on to present several grounds as to why Reliance's business licence should be revoked. Those grounds include:
 - i. Reliance consistently fails to comply with the Safety Codes Permit Bylaw (Bylaw 3551/2015),
 - ii. Reliance did not comply with the business licence suspension in contravention of section 9 of the Business Licence Bylaw,
 - iii. Reliance breached the Safety Codes Act by installing two gas furnaces without the requisite permits,
 - iv. Reliance breached the Zoning Bylaw by not obtaining a Development Permit for its location in Red Deer, and
 - v. Reliance's actions demonstrate a disregard for minimum safety standards and therefore pose a risk to the safety, health and welfare of the public.
22. The City went on to review relevant Bylaws, Enactments, and Regulations. The City highlighted section 29 of the Safety Codes Permit Bylaw which requires the permit holder to notify the SCO when the project is ready for inspection. SCO Sloboda noted that failing to comply with the requirement for

inspections is the most common problem he experiences with Reliance. Reliance was convicted on five counts of this offence in March 2024.

23. Based on the statements from the two homeowners, LN and JR, and the supporting documentation they provided, the City concluded that Reliance installed at least two furnaces within the city of Red Deer while they were subject to a business licence suspension. Carrying on business while subject to a business licence suspension is a breach of section 9 of the Business Licence Bylaw.
24. The City went on to argue that both the Safety Codes Permit Bylaw and the Permit Regulation require a permit to install a gas furnace. Failing to comply with the requirement to obtain a permit before completing work is an offence under the Safety Codes Act.
25. The City also raised the issue of non-compliance with the Zoning Bylaw, Bylaw 3357/2024 under which, Reliance's use of its location at #5, 4845 79 Street is not approved by a Development Permit.
26. The City concluded their presentation explaining that non-compliance with the Safety Codes Act, the Permit Regulation, and the Safety Codes Permit Bylaw demonstrate a disregard for public safety, health and welfare. The enactments impose obligations to meet minimum safety standards for the installation of gas appliances and outline the process by which an SCO can verify compliance.
27. The City acknowledged that revocation of a business licence is a serious step that is not taken lightly. The decision was only made after progressive enforcement measures proved ineffective. Those measures included:
 - i. SCO Sloboda providing education and warnings in an effort to persuade Reliance to comply.
 - ii. When voluntary compliance measures proved ineffective, Reliance was charged with various offences.
 - iii. When the problems persisted, Reliance's business licence was suspended.
 - iv. The suspension also proved ineffective.
28. Failing to comply with the Safety Codes Permit Bylaw, the Safety Codes Act, the Permit Regulation, the Business Licence Bylaw or the Zoning Bylaw could each justify revocation of Reliance's business licence. However, the City only chose revocation once less intrusive enforcement measures proved ineffective.
29. Inspections are critical to ensure that work performed is completed safely and will not cause harm. The improper installation of gas appliances has the potential to create gas leaks posing a risk of explosion, fire and/or carbon monoxide poisoning. That risk is borne not only by the location of the installation but also to surrounding citizens.
30. The City submitted that while Reliance may offer assurances of better behavior when faced with a business licence revocation, they submit Reliance's disregard for minimum safety standards and

unwillingness to comply, despite multiple enforcement measures, demonstrates a consistent disregard for Reliance's duties and responsibilities that poses an unacceptable risk to public safety, health and welfare.

31. In response to questions from the Board, the City provided the following additional information in paragraphs 32 - 37 below.
32. The City clarified that under section 209 of the Municipal Government Act, RSA 2000, Ch. M-26, the City Manager can delegate any of their powers, duties or functions to a designated officer or an employee of the municipality. This allows the Licence Inspector to issue the revocation under section 39 of the Business Licence Bylaw.
33. The issue of a Development Permit for a change of use was not raised until the submissions for this hearing were sent to the Board and the Appellant. The City clarified that the revocation was for repeated offences under other bylaws and enactments and that issuing a Stop Order under the Zoning Bylaw might look like piling on the Appellant. As a result, no issue was raised ahead of the hearing materials with regard to the Zoning Bylaw.
34. The corporate office of the Appellant knew or ought to have known that there were issues in March of 2024 when the original five violation tickets were served on the Appellant's corporate office in Toronto. This is long before the suspension of the business licence which occurred on August 23, 2024.
35. One of the conditions on the suspension was to close out 17 outstanding permits. While the Business Licence Bylaw does not permit carrying on a business while suspended, Reliance was permitted to carry on business to the extent that they were working to satisfy the conditions of the suspension. This includes completing inspections and correcting any deficiencies on the 17 permits.
36. In the revocation letter of February 20, 2025, there is a reference to 31 outstanding permits. This was clarified to be outstanding electrical permits which remained open on various jobs.
37. Despite Reliance's claim that a sub-contractor installed LN's furnace on October 22, 2024, in the City's view, Reliance was still carrying on business in Red Deer and would require a valid business licence to comply with the Business Licence Bylaw.

The Appellant

38. Reliance was represented by Jeremy Ellergodt and Saleem Koube. Also in attendance at the hearing was Sheldon Matthews, Reliance's Vice President for Western Canada, and Gaurav Singh, Reliance's General Manager for Alberta.
39. Mr. Matthews began Reliance's presentation by reviewing key facts from his witness statement, reviewing key facts of past issues, accepting responsibility that the systems in place to ensure compliance were not robust, and discussing changes that are now in place or that will be implemented to ensure the issues identified by the City do not re-occur. Some of the systems include a master

tracker for permits to track the status of each permit, the team member responsible for the permit, monthly meetings with management to ensure issues are addressed promptly, and working to ensure this never happens again.

40. Part of Mr. Matthews witness statement included six steps that have been implemented to avoid re-occurrence of these issues. These points were repeated in Mr. Singh's witness statement and in Reliance's written submission to the Board. The points are:
- i. **Enhanced Permit Management:** Reliance team members in every jurisdiction will report to a manager on a weekly basis to track the status of all permits.
 - ii. **Improved Communication:** Reliance team members will conduct monthly check-ins with municipalities and regulatory authorities to ensure proper management of permits, and to facilitate the prompt resolution of any outstanding issues.
 - iii. **Oversight by General Manager:** The general manager for each province will assume full responsibility for overseeing all communications with municipalities and regulatory authorities to ensure accountability. Reliance team members will report to each General manager on a quarterly basis, or as required.
 - iv. **Bi-Annual License Compliance Audits:** Reliance will implement a bi-annual review process for all team members responsible for opening and closing permits to ensure compliance with local bylaws and industry standards.
 - v. **Sub-Contractors:** Reliance is implementing a new policy to have all affiliated sub- contractors responsible for opening and closing permits before receiving approval to proceed with any installations for Reliance customers.
 - vi. **Appointment of Compliance Manager in Red Deer:** Due to Reliance's ongoing compliance issues with the City of Red Deer, Reliance will appoint a compliance manager for Red Deer who will oversee all Red Deer-based permitting. This will ensure that Reliance's operations in Red-Deer comply with local bylaws and industry standards.
41. Mr. Singh reviewed key details of his witness statement including his history with Reliance, his responsibility to manage the sales and operations of Reliance's four Alberta branches (Edmonton, Red Deer, Calgary, and Lethbridge), Reliance's various awards and certifications, the history of Reliance in Red Deer, an apology to the City for the past issues and frustrations dealing with Reliance, the desire to resolve this matter without licence revocation, and a commitment to work with the City going forward to ensure the issues never happen again. Mr. Singh discussed further measures to work with the City including serving as a point of contact with the City, having a weekly check-in with the team, ensuring that the permit is in hand and permit number recorded before any equipment or materials leave the warehouse, and work to ensure the City knows they can bring issues to him and those issues will be resolved.

42. Both Mr. Matthews and Mr. Singh confirmed that they were unaware of the issues with the City of Red Deer until September 2024. At that point, they both took a detailed interest in the operations in Red Deer but, unfortunately, the trust had been broken and the damage done.
43. Mr. Ellergodt continued the presentation and provided a great deal of oral argument in addition to his written submissions on behalf of Reliance. He started out by reiterating that Reliance accepts full responsibility for the events that led to the hearing as noted in writing and as stated by Mr. Matthews and Mr. Singh. However, he argued that revoking Reliance's Business Licence is not in the best interest of the people of Red Deer. Competition is good to ensure competitive pricing, services, and options for citizens, especially when it comes to fundamental building systems like Heating and Air Conditioning. Further, Reliance is a national company and offers financing options to homeowners that other companies may not be able to offer. Mistakes were made but public safety was not at risk. Permitting is essential to ensure work is completed to the appropriate standard but there was no acute risk to the public as a result of Reliance's actions.
44. The issues started with permits not being closed off in a timely manner. Part of the issue was that several homeowners were not cooperative in scheduling an inspection from the City. Reliance ultimately had to offer a cash incentive to the homeowners of the five residences for which the March 2024 violation tickets were issued, in order to complete the inspections and close the permits. To show that they were serious about compliance, the fines were paid and all the permits were closed.
45. Further, Reliance hired competent sub-contractors who were able to complete the work properly and ensure that the public was not at risk. Some of the issues of missing permits were due to administrative errors, others due to uncooperative homeowners, and others still due to miscommunication between Reliance and the sub-contractor completing the work. Of particular note, LN's install on October 22, 2024 was a case where the sub-contractor believed Reliance pulled the permit, while Reliance believed the sub-contractor pulled it.
46. Ultimately, the issues were not to gain a financial advantage and therefore, Reliance should not be punished going forward. In Reliance's view, the business licence revocation is a punishment. As it is, Reliance has already paid \$5,000 in fines and tens of thousands in legal fees which should serve as punishment enough. The issues have been resolved and the new systems will ensure they do not happen again.
47. With specific regard to the Development Permit and a change of use for Reliance's space in Red Deer, Reliance took issue that the first they heard about it was in submissions to the Board despite emails within the City's materials showing they were aware in December 2024. Both the Compliance and Legal teams at Reliance reviewed the details of the space and were under the impression that the space was a warehouse before and is a warehouse now.
48. Mr. Ellergodt also discussed that Reliance satisfied the conditions of the licence suspension on February 14, 2025. The revocation was issued February 20, 2025. Per section 49 of the Business Licence Bylaw, on the filing of an appeal in accordance with section 48, the decision being appealed is stayed, pending the decision of the Board. From March 5, 2025 when Reliance filed the appeal of the revocation, Reliance should have been able to continue operating in Red Deer since the revocation was

stayed. The City told Reliance that despite that, the suspension was still in effect and thus Reliance could not resume operations. Reliance told Mr. Ellergodt not to further challenge this order and instead focus on the appeal of the revocation.

49. To close their presentation, Mr. Ellergodt noted that Reliance is open to conditions on their business licence to avoid similar issues in the future. As shown in the hearing, Reliance is taking concrete steps to ensure these issues are resolved even without the need for conditions. Part of the issue was that there were problems persisting and growing and none of that was making it to Mr. Matthews. Steps have already been taken to ensure that never happens again. Ultimately, Reliance is asking for a second chance and has already shown and committed to resolving these issues going forward.
50. In response to questions from the Board, Reliance provided the following additional information in paragraphs 51 - 58 below.
51. What happened in Red Deer is not common. Reliance operates across Canada and is a billion-dollar company. Generally, the branches across Canada have good relationships with the local municipality. Red Deer is unique insofar as it requires the permit holder, in this case Reliance, to close permits. Elsewhere, it is the homeowner/property owner who is responsible for closing permits. As a result, in order to close a permit, Reliance has to call the homeowner and get some availability, then call the SCO to find a time that works for him, then call the homeowner back to confirm when the SCO will come by for an inspection. This process has contributed to some of the outstanding permits due to uncooperative homeowners and administrative errors.
52. Reliance holds an Alberta Direct Sellers Licence which allows them to sell to homeowners and have sub-contractors do the installation. Due to the issues demonstrated by the October 22, 2024 installation, Reliance will now require the sub-contractor to not only pull the permit, but to provide the permit number to Reliance before they can leave the warehouse with any equipment or materials. As all equipment goes through Reliance, this process will ensure no work is done without a permit.
53. Reliance began occupancy of #5, 4845 79 Street in June of 2024. Before that, they operated as an out of town, or non-resident business, for about five years.
54. Part of the challenge for Reliance which contributed to some of these issues is that Alberta has some 130 municipalities, each with the ability to create their own processes for permits and inspections. In British Columbia and Saskatchewan, there is a single, province wide body that manages permits.
55. The permitting process is to ensure safety. Theoretically, there could be a safety issue but in the examples before the Board, there were no issues found once the inspection was completed. The City's concern was that permits were left open without inspections. The processes put in place by Reliance will now ensure that the permits are closed and that there is no risk to the health and safety of the public. Reliance is of the view that a safe business is a healthy business, and they want to be a healthy business.
56. There have been staffing changes at the Red Deer branch and there will likely be more depending on the outcome of this hearing and the Board's decision.

57. There were jobs done while Reliance was suspended in addition to LN's and JR's installs. In total about 12 – 14 jobs were completed, and a list of those properties has been provided to the City. It was Reliance's belief that they could continue to sell products despite the suspension since a sub-contractor was doing the actual work of installing the equipment.
58. Reliance fully accepts and acknowledges that a job is not done until the permit is closed, and they commit to working collaboratively with the City going forward.

City Authority Response

59. In response to the presentation made by Reliance, the City offered some additional comments.
60. The City rejects the premise that the revocation is being used as a punishment. The City worked through a progressive, escalating process to gain compliance with the applicable bylaws and enactments. This started in 2022 with reminders and education from the SCO about the importance of closing off permits. When that proved ineffective, warnings were issued with specific deadlines. When again that was unsuccessful, violation tickets were issued with fines attached. When permits continued to remain open for long periods of time, the licence was suspended with strict conditions for reinstatement. It was only after the suspension that any serious action was shown from Reliance. Unfortunately, that proved to be ineffective as Reliance continued to operate despite the suspension. Only after all the previous steps were proven ineffective, was the serious step of revocation taken.
61. The City also rejected the Appellant's claim that public safety was not at risk. Gas appliances (like furnaces) need to be inspected. By failing to comply with safety codes, there is an inherent public safety risk.
62. The Development Permit issue came up as part of the investigation leading to the revocation. Normally, a Stop Order under the Zoning Bylaw would be issued, but since there was already work underway to revoke the business licence, a Stop Order was not issued. Ultimately, a change of use would be required for Reliance to continue operating in their current space.
63. Just because a business has a Direct Sellers Licence, it is reasonable to assume they would still need the same licences as any other business in the municipality.
64. With regard to the October 22, 2024 install, all indications to the City, including documentation supplied by LN, were that Reliance did the work. It was not until the submissions were received that it was alleged that a sub-contractor did the work.
65. The Board asked several questions and the City provided the following answers.
66. The City only issues gas permits to qualified gasfitters and, only issues electrical permits to qualified electricians or, depending on the nature of the work, master electricians. The City has an online portal that allows registered businesses to pull permits in a matter of minutes any time of the day or night.

67. The SCO does have certain powers under the Safety Codes Act to enter upon a premises to affect an inspection however, this is typically not required with businesses.
68. The City acknowledged the suspension conditions were satisfied on February 14, 2025.
69. In her over 20 years with the City, Ms. Stuart had only seen three business licence revocations, including this one.

CLOSING ARGUMENTS

70. To close, the City reiterated its position that the goal is to gain compliance with applicable bylaws and enactments to protect public health, safety, and welfare. The commitments from senior leadership are appreciated however, it is essential that if the licence is reinstated by the Board, that Reliance ensures compliance. The past three years chasing down Reliance, reminding them of the need to close permits, laying charges and issuing tickets, investigating breaches, and ultimately suspending and then revoking their business licence, has been a frustrating and time-consuming endeavour. Should the Board reinstate the licence, the City asks that conditions be added to the licence to help ensure compliance going forward. To that end, the City verbally provided proposed conditions at the hearing.
71. In closing, Reliance reiterated their commitment to working with the City going forward to ensure this situation never repeats itself. Reliance is more than happy to accept the proposed conditions laid out by the City as a sign of good faith that they are committed to moving forward collaboratively. Reliance also mentioned that despite the powers of the SCO to enter upon a property, the City never used this authority to complete the inspections which further speaks to there being no acute danger to the public.

FINDINGS AND REASONS

72. The Board first considered its powers which are laid out in section 50 of the Business Licence Bylaw which states that the Board may uphold the decision of the City Manager, vary the decision of the City Manager or substitute its own decision, or overturn the decision of the City Manager. In this case, the decision referenced is the revocation of the Appellant's Business Licence on February 20, 2025.
73. The City listed four grounds upon which the Appellant's Business Licence was revoked. Those are:
- i. The corporation failed to comply with the Safety Codes Permit Bylaw.
 - ii. The corporation did not fulfill the conditions for reinstatement of its suspended licence.
 - iii. The corporation installed a gas furnace without a permit, violating the Safety Codes Permit Bylaw and the Safety Codes Act.

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- iv. The corporation's continued disregard for minimum safety standards poses a risk to public safety, health, and welfare.
74. The Board considered the grounds individually and finds that ground 1 was made out based on the evidence presented by both parties and their submissions at the hearing. Reliance did work without the requisite permits.
75. The Board finds that ground 2 was not made out given that both parties acknowledged that the conditions for reinstatement of the suspended licence were satisfied on February 14, 2025.
76. The Board finds that ground 3 is made out given that workers operating on Reliance's behalf installed more than one gas appliance (furnace) without the requisite permits.
77. The Board also finds that ground 4 is made out since the permitting process is essential to ensuring minimum safety standards are met or exceeded. By completing work without the requisite permits, Reliance failed to meet the minimum safety standards.
78. The Board finds that the City, relying on sections 39, 41, and 46 of the Business Licence Bylaw, was justified in exercising its authority to revoke the Appellant's Business Licence.
79. The Board then considered the submissions of both Parties in terms of upholding the revocation or varying/overturing that decision. The Board considered the submissions of the City and acknowledges that this ordeal has placed an unnecessary and costly burden on the City that is simply not required with most businesses operating in Red Deer.
80. Further, the Board finds that the City exercised a great deal of patience with the Appellant and operated in a progressive and escalating manner in the hopes of gaining compliance without having to revoke the business licence. Over an almost three-year period, the City exercised a great deal of restraint before ultimately revoking the business licence on February 20, 2025.
81. The Board accepts the City's argument and finds that the Appellant was carrying on business while their licence was suspended in contravention of section 46 of the Business Licence Bylaw. Specifically, the Board finds Reliance's activities surrounding the October 22, 2024, and December 26, 2024, installations individually confirm that Reliance was in breach of section 46 of the Business Licence Bylaw.
82. The Board then considered the submissions of the Appellant including the oral submissions of Mr. Matthews and Mr. Singh. The Board finds that while the Appellant knew or ought to have known about these issues long before the violation tickets issued in March of 2024, the Appellant has committed to a series of steps and processes to ensure that those issues never occur again. Coupled with the proposed conditions, which the Appellant stated were reasonable and they are willing to undertake, the Board finds that the Appellant has shown a genuine commitment to resolving these matters and thus, deserves a second chance to show that they have made meaningful changes to work with the City in a collaborative way.

83. The Board then considered the proposed conditions from the City and the timeline they should be in effect. The conditions laid out align with the City's proposed conditions. At the hearing, the City stated that should the Board reinstate the licence, any conditions imposed should be in place for least a year. The Board reviewed section 33 of the Business Licence Bylaw and found that Business Licences expire on December 31 of each year. To put conditions for a year would mean that they would expire part way through 2026.
84. To ensure clarity and to align with the annual cycle of the business licence, the Board finds that any conditions added to the Appellant's business licence should be in place until December 31, 2026. Therefore, the Board orders that all conditions shall be in effect through the balance of 2025 and shall attach to the Appellant's business licence for all of 2026.
85. Based on the foregoing, the Board exercises its authority under section 50(b) of the Business Licence Bylaw and substitutes the following decision:
The Appellant's Business Licence is immediately reinstated subject to the Conditions listed at the beginning of this decision and all Conditions shall be in effect until December 31, 2026.

CLOSING

86. For these reasons, the decision of the City Authority is substituted by the Board's decision and the Appellant's Business Licence is reinstated with Conditions as stated above.

Dated at the City of Red Deer, in the Province of Alberta, this 14th day of April, 2025 and signed by the Presiding Officer on behalf of all panel members who agree that the content of this document adequately reflects the hearing, deliberations, and decision of the Board.



Tim Heger, Presiding Officer
Licensing and Community Standards Board

This decision can be appealed to the Court of Appeal on question of law or jurisdiction. If you wish to appeal this decision you must follow the procedure found in section 688 of the Municipal Government Act which requires an application for leave to appeal to be filed and served within 30 days of this decision.

APPENDIX A

Exhibit A.1:	Hearing Materials	12 pages
Exhibit B.1:	Appellant Submission – Reliance Submissions to the Board	17 pages
Exhibit B.2:	Appellant Submission – Reliance Document List	150 pages
Exhibit B.3:	Appellant Submission – Sheldon Matthews Witness Statement	2 pages
Exhibit B.4:	Appellant Submission – Gaurav Singh Witness Statement	2 pages
Exhibit C.1:	City Authority Submission	150 pages