



City of Richmond

Report to Committee

To: General Purposes Committee
From: Cathy Volkering Carlile
General Manager - Parks, Recreation &
Cultural Services

Date: October 30, 2002

File:

Re: Richmond Tall Ships 2005

Staff Recommendation

1. That staff be directed to prepare a letter of intent to the American Sail Training Association (ASTA) indicating the City's interest in hosting the 2005 Tall Ship Challenge.
2. That staff prepare a comprehensive report on the impact of hosting Richmond Tall Ships 2005.

Cathy Volkering Carlile
General Manager - Parks, Recreation & Cultural Services

Attach. 2

Staff Report

Origin

This past summer, Richmond hosted the spectacular Tall Ships Challenge and Festival event, the largest gathering of Tall Ships along the B.C. coast in more than a century. The feature attraction of the 5-day festival – majestic sailing vessels from all over the world – proved to be the magnet that drew over 400,000 people to the five-day maritime festival.

Besides the presence of the magnificent Tall Ships, the “Celebration of Sail” included a colourful Maritime Festival, with rousing entertainment and many special events, all nestled in the historic maritime setting of Steveston Village.

It should be noted that ASTA has chosen Richmond to receive the prestigious “Port of the Year” award for the successful hosting of the Richmond Tall Ships 2002 event. The Award will be presented at its annual convention in Toronto on November 7 and 8, 2002.

Findings of Fact

The umbrella group of the North American Tall Ship Challenges is the American Sail Training Association (ASTA), which is already in the early stages of deliberations for which cities will be hosting the 2005 Tall Ship Challenge.

The Tall Ship Challenge is coordinated on a three-year rotating basis, between the Pacific Northwest, the Atlantic Coast, and the cities of the Great Lakes. Both Canadian and American cities have participated in successful events in the past few years, but 2002 was the first time that a Canadian city along the Pacific Northwest corridor has hosted a Tall Ship Challenge.

If Richmond wishes to host a 2005 Tall Ship Challenge, a letter of intent will have to be prepared and presented to ASTA, preferably at their Annual Convention, being held Toronto from November 7 to 8, 2002. ASTA has been informed that a resolution of Council is required prior to issuing the letter.

Richmond’s 2002 contract with ASTA contains a clause for rights of first refusal (Attachment 1) as the Canadian site for the 2005 Tall Ship Challenge Series. However, this clause does not necessarily provide a guarantee that the 2005 series will be awarded to Richmond.

There is every possibility that other cities in the Lower Mainland or Vancouver Island will be bidding to host a 2005 Tall Ships event. For now, all that is required if we wish to host the 2005 event, is to indicate this in writing. Richmond will be contacted by ASTA once the route of the Pacific Northwest is determined, and if we fit into their plan, negotiations on a contract with ASTA can begin. Steve Baker, Race Director for ASTA, has confirmed this process.

Financial Impact

More than 2,000 volunteers worked in partnership with City staff, along with numerous community groups and many generous sponsors to make this Tall Ship festival such an outstanding success.

Without the volunteers and its partners, Richmond Tall Ships 2002 could not have generated the many positive economic outcomes for the community. From a tourism perspective, the City and the village of Steveston were showcased to a worldwide audience, not only to those who attended the Tall Ship festival, but also in media coverage by major news outlets all over North America.

There are many tangible benefits and lasting legacies evident as a result of the Tall Ships festival, including waterfront infrastructure improvements, a seasoned, enthusiastic volunteer base and returning visitors to Steveston. By all accounts, merchants from Steveston were very pleased with the economic outcomes of the Tall Ship festival, and are experiencing increased tourism traffic since the event.

The Richmond Tall Ships 2002 budget was \$2,268,400, which included city expenditures of \$447,000 operating funds. An additional \$400,000 in capital expenditures, \$100,000 contribution to Steveston Harbour Authority and a deficit fund of an additional \$500,000 was approved in 2002.

The City has not reconciled the financial activities for Richmond Tall Ships 2002 and a report is not ready to be issued. Staff anticipates that the final report will be ready for presentation to the Parks, Recreation and Cultural Services Committee meeting at the end of November 2002.

Conclusion

It is recommended that Council support the recommendation that staff prepare a letter of intent (Attachment 2) for Richmond to host the Tall Ships 2005 event. It should be noted that no financial commitment from the City is indicated in this letter of intent.

If and when ASTA brings their contract proposals to us, contractual discussions will commence. By then, Council will have received a comprehensive report on Richmond Tall Ships 2002.

The logistics, timeframe and role of the City have not yet been addressed, and along with financial considerations, will be outlined in the report, so that if the City wishes to enter into negotiations with ASTA, this can occur in a timely manner.

Hilda T. Ward
Project Manager

5. LOCAL PROMOTIONAL RIGHTS LICENSED TO PORT ORGANIZER

- A. ASTA hereby grants to Port Organizer the right to convey to third parties, sponsorship and supplier rights in and to the Port Event and the right to use the trademark TALL SHIPS CHALLENGE® RICHMOND in the following form:
- i) Port Organizer may appoint one Presenting Sponsor in the form: "XYZ presents the ["ABC company secured by ASTA"] TALL SHIPS CHALLENGE " (herein, the "local Presenting Sponsor") or other mutually agreed upon name.
 - ii) Port Organizer may appoint local sponsorship rights to additional sponsors and/or co-sponsors. Port maintains the right to provide such sponsors listed in advertising and promotional materials in a position and type size equal in importance to ASTA's national sponsors. Together, the Local Presenting Sponsor and the Local Port Event Co-Sponsors may be referred to herein as "Port Event Sponsors."
- B. Sponsorship rights granted by Port Organizer may include the right to conduct retail tie-in promotions, the right to sample on-site; the right to sell product on-site; the right to conduct consumer research and generate databases on site; and the right to conduct sweepstakes and similar promotions in connection with TALL SHIPS CHALLENGE® RICHMOND events. In addition, Port Organizer will immediately advise ASTA of all sponsorship packages sold.
- C. During the Port Events, neither Port Organizer nor any of its sponsors shall promote, directly or indirectly, an event competitive to the CHALLENGE® or an organization competitive to ASTA, either in conjunction with the CHALLENGE®, a Participant or any event ancillary thereto.
- D. Port Organizer will not, directly or indirectly, host or support an event which includes port to port races and cruises featuring 2 or more tall ships or sail training vessels for a period of one (1) year prior and three (3) years after the Challenge takes place at the venue. This limitation shall not apply to events that involve or are sanctioned by the American Sail Training Association. Notwithstanding the foregoing, Port Organizer is permitted to host events or festivals containing tall ships of any number, provided such event(s) will not include a port to port race nor a sail training rally, nor will such event(s) resemble port to port races that would be deemed similar or competitive to the TALL SHIPS CHALLENGE® race series. **In addition, ASTA hereby grants to the port Organizer the right of first refusal for the next TALL SHIPS CHALLENGE® Race Series event to be held on the West Coast of Canada.**
- E. Port Organizer and its sponsors shall have the right to sponsor Participants by separate arrangement with such Participants, subject to the exclusivity granted ASTA in this Paragraph and elsewhere in this Agreement.

SAMPLE

October 31, 2002

File: -

Mayor's Office

Telephone: (604) 276-4123

Fax: (604) 276-4332

American Sail Training Association
PO Box 1459
Newport, Rhode Island
USA 02840

Attention: Peter Mello, Executive Director

Dear Peter:

Re: 2005 TALL SHIP CHALLENGE® Series Letter of Intent

Please accept this letter from the City of Richmond, British Columbia, Canada as our letter of intent to be the Canadian host city for 2005 Pacific TALL SHIP CHALLENGE® series.

In our 2002 contract with your organization, clause 5D stated “ASTA hereby grants to the port organizer the right of first refusal for the next TALL SHIP CHALLENGE® race series to be held on the West Coast of Canada.

The City of Richmond by resolution of Council # _____ resolved to provide ASTA with a letter of intent indicating the City's interest in hosting the 2005 TALL SHIP CHALLENGE®.

Our experience this past summer was remarkable. With our army of staff and volunteers, we successfully hosted a spectacular Tall Ships Challenge and Festival event. The feature attraction of the 5-day festival, the majestic sailing vessels from all over the world, proved to be the magnet that drew over 400,000 people to the five-day maritime festival.

The presence of the magnificent Tall Ships, the “Celebration of Sail” included a colourful Maritime Festival with rousing entertainment and many special events, all nestled in our historic Steveston Village.

We could not have been successful without the hard work and commitment of ASTA and our other partners on the project.

There are many things to consider in future hosting of a tall ships event including establishing the financial framework, organizational structure and event operations. We have not fully evaluated our 2002 project and have not as yet considered the ramifications of hosting in 2005 and the requirements of such a commitment.

However, we want to be considered and want to exercise our right as outlined in the contract with your organization. Thank you for providing us the opportunity to declare our intention and we look forward to the process ahead that will lead to a successful 2005 event series.

I would request that all dealings with Richmond as a host city be managed through the City. We have not as yet established a coordinating committee to deal with future events. The contact is Cathy Volkering Carlile, General Manager of Parks Recreation and Cultural Services. Please call Cathy at (604) 276-4068.

Best wishes for a successful 2003 series in the Great Lakes.

Yours truly,

Malcolm Brodie
Mayor

CVC:cvc

pc: Richmond City Council
TAG