



CITY OF RICHMOND

REPORT TO COMMITTEE

TO: General Purposes Committee
FROM: George Duncan
Chief Administrative Officer
RE: **Late Night Events (Raves)**

DATE: November 15, 2000
FILE: -

STAFF RECOMMENDATION

That staff be directed to:

1. Prepare a Bylaw which includes insurance requirements as part of the Late Night Events (Raves) application process.
2. Proceed with the review of the issues raised in this report from the Chief Administrative Officer dated November 15, 2000 and report back to Council through General Purposes Committee on any further Bylaw Amendments.

A handwritten signature in black ink, appearing to read 'George Duncan'.

George Duncan
Chief Administrative Officer

STAFF REPORT

ORIGIN

Earlier this year, Council approved the staff recommendation to amend the Events Regulation (Raves) Bylaw to include additional requirements for making the owner responsible for the rave parties held at his facility. At this same meeting, Council also instructed staff to: review the licence requirements of those involved in Rave Events to determine whether or not the provisions of insurance or bonding should be a requirement of obtaining a business licence and/or permit for a rave. Council also instructed staff to review in general terms, those "rave-like events" which take place earlier in the evening and end by 2:00 a.m. This report addresses the above two referrals, and also provides options for Council to consider regarding some additional issues that have arisen with rave parties as part of an ongoing review.

This report does not deal with the application by the GSBC Hall to add their banquet Hall as an approved rave site as part of the Late Night Events (Raves) Bylaw. This issue will be dealt with in a later report, after the applicant hosts a public information meeting with his neighbours.

ANALYSIS

A. Referrals

1. Bonding or Insurance Requirements

The staff team have reviewed various options for dealing with the bonding and insurance issue, and suggest that Council consider the following approach:

- 1.1 *Require promoters to show current proof of liability insurance for a minimum of one million dollars, and banquet hall owners hosting raves to show proof of liability insurance for five million dollars.*

Staff believes that it would be preferable to add this requirement to a Rave Permit rather than to a business license for two reasons. Firstly, business licenses are renewed automatically each year in order to avoid causing established businesses unnecessary delays. With this automatic business renewal policy, it would be difficult to ensure that the insurance requirement was met.

Secondly, rave promoters and banquet hall owners hosting raves do not require a special business license. That is, rave promoters are licensed as "Service Use", and the hall owners are licensed as "Banquet Operators". As a result, if the insurance requirement were tied to the business licence rather than the permit, all businesses included in the service use and the banquet categories would require insurance.

This proposed requirement is consistent with the provisions of the Business Licence Bylaw, which enables the Chief License Inspector to ask for insurance if, in his opinion, there is a possibility of liability to the City. As part of the permit process, the rave promoter and banquet hall operator would be required to submit an insurance certificate that includes the City as one of the named insured on the policy.

1.2 As part of the application process, encourage the Chief Licence Inspector to require promoters and facility owners who have held problematic rave parties to post a bond before receiving a permit for a future rave party.

With this approach, the performance bond could be seized in the event of a breach of the Rave Event Regulation Bylaw to compensate the City or the public for damages caused directly or indirectly, in connection with the holding of a Rave event. While the Local Government Act (formerly the Municipal Act) allows the City to set "terms and conditions" on the issuance of a business license, it is still viewed as unlikely that this wording would include the power to impose the requirement of bonding.

However, in the event that the Chief Licence Inspector undertakes a review of a specific business licence as a result of a hearing by Council regarding the possible suspension or cancellation of that business license because of a breach of the Rave Event Regulation Bylaw, a bond could then be made a condition of allowing the promoter in question to retain his/her license to operate.

Staff believes that the above approach to bonding and insurance requirements should be considered because it is:

- Consistent with the regulations contained in the Local Government Act and the Business License Bylaw;
- Ensures that the promoters and banquet hall owners have coverage in the event of a future problem;
- Provides additional insurance coverage for the City, and
- Provides an incentive to promoters and the banquet Hall owners to provide safe events.

2. Rave Like Events

As discussed in a previous staff report, the City has received complaints from business owners in the Riverside Business Park regarding parties that occur at GSBC Hall, which start in the early evening and end before 2:00 a.m. The most recent "rave-like" party occurred November 10th at the GSBC Hall. It is reported that these events play "rave-like" music and are sometimes advertised in flyers as rave parties.

The staff team struggled with this issue for the following reasons:

- These parties are not Raves as they are not late events and are therefore not subject to the regulations contained in the Events Regulation (Raves) Bylaw;
- The current zoning of facilities holding these rave like events permits banquet hall use;
- Parties cannot be regulated based on the choice of music or clientele, and
- Non-profit societies do not require business licenses.

Given the above issues, it is suggested by staff that the following be undertaken to alleviate the concerns with "rave-like" parties that occur before 2:00 am and cause disturbances to the surrounding neighbourhood:

- The RCMP should continue to shut these parties down that extend past 2:00 a.m.;
- Tickets should be aggressively issued for all City Bylaw infractions (e.g. noise, fire, parking etc.);
- Review the business licensing requirements for non-profit businesses. (It should be noted

that this review has been expedited and is now underway). A report will be forwarded to Council once a legal opinion is received.

B. Additional Issues

In addition to the above two referrals, additional issues have arisen with the rave party situation in Richmond. This section of the report outlines these issues and provides suggestions for some possible actions for dealing with them as part of an ongoing process of managing the rave party situation in Richmond.

1. Limitations on the number of raves

Since the Bylaw has been in place, there have been 23 legal rave parties in Richmond. The City is continuing to receive more applications. In some cases there are two rave parties proposed on one weekend. It is becoming increasingly difficult to find the resources to cover the growing number of rave parties proposed particularly when there are two parties scheduled for one weekend. Special occasions such as New Years Eve are of particular concern. The staff team believe that one option for addressing this issue may be to limit the number of rave parties that are approved each month, and on special occasions. For example, we may want to consider only approving 3 parties per month. The parties would be approved on a first come basis.

2. Application Processing Time

Prior to adopting the Bylaw, Council directed staff to meet with rave promoters in order to receive their feedback. As part of this process, the promoters indicated that they needed a shorter permit processing time (10 days) than what staff was recommending (6 weeks). They also felt that it was unfair that they could not advertise prior to obtaining their permit. They indicated at this time, that they were willing to take the responsibility for notifying their ticket holders if their permit wasn't approved. Based on the promoter's commitments, Council approved the Bylaw with a 10 day processing period, and no requirements were included in Bylaw prohibiting advertising prior to permit approval with the understanding that this could change if problems occurred.

Concerns have now arisen. Some of the applications are incomplete and tickets are being sold in advance. Police resources are not available to cover the increasing number of applications that are processed within the shorter application period. Complaints have been received from promoters that their application must be processed because they have already sold tickets. Concerns have also recently been raised that there is no formal process for an applicant to track the progress of his/her application.

In order to address these concerns, the staff team believe that the 10-day application processing time, notification and tracking procedures as well as advertising restrictions should be re-visited.

3. *Review of the Industrial Zoning Districts*

Currently, banquet Halls are a permitted use in industrial zones. Given that these types of uses are causing a problem in some of the industrial areas such as in the Horse Shoe Way area, the staff team believe that the zoning districts should be proactively reviewed to determine if banquet halls should remain as a outright permitted use or if they be should be removed. If this was to occur, future banquet halls would be evaluated on a site by site basis through a Comprehensive Development Zone, and a rezoning process requiring a Public Hearing process would occur.

The above issues would require Bylaw amendments. If Council wishes the staff team will proceed with the review of the above issues, and bring the Bylaw Amendments to Council through General Purposes Committee.

FINANCIAL IMPACT

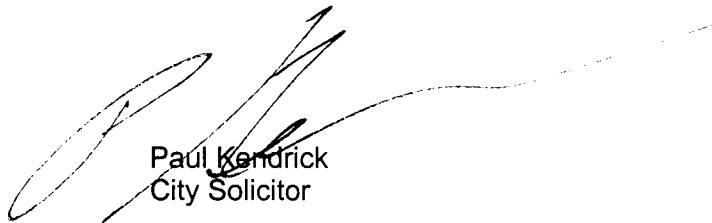
No additional financial implications.

CONCLUSION

It is recommended that additional regulations be added to the Event Regulation (Raves) Bylaw which would require promoters and approved facility owners to show proof of current liability insurance before a permit is issued. It is also recommended that staff proceed with the review of the issues discussed in this report, and bring any Bylaw amendments back to Council as part of the ongoing process of managing the rave situation in Richmond.



Lauren Melville
Manager, Policy & Research



Paul Kendrick
City Solicitor