



City of Richmond

Report to Committee

To: Parks, Recreation and Cultural Services
Committee

Date: May 30, 2008

From: Dave Semple
Director of Parks and Public Works
Operations

File: 12-8060-20-8246/Vol 01

Re: Richmond Athletic Commission Bylaw 8035, Amendment Bylaw No. 8393

Staff Recommendation

That Athletic Commission Bylaw No. 8035, Amendment Bylaw 8393 be introduced and given first, second and third readings.

Dave Semple
Director of Parks and Public Works Operations
3350
Att. 1

FOR ORIGINATING DEPARTMENT USE ONLY							
ROUTED TO:		CONCURRENCE		CONCURRENCE OF GENERAL MANAGER			
City Clerk.....		Y <input checked="" type="checkbox"/> N <input type="checkbox"/>					
Law.....		Y <input checked="" type="checkbox"/> N <input type="checkbox"/>					
REVIEWED BY TAG		YES	NO	REVIEWED BY CAO		YES	NO
3x <input checked="" type="checkbox"/> GP			<input type="checkbox"/>	Mike Zuhl <input checked="" type="checkbox"/>			<input type="checkbox"/>

Staff Report

Origin

On October 23, 2006 Richmond Bylaw 8035 establishing an Athletic Commission to regulate professional boxing activities was adopted.

In 2007 the Richmond Athletic Commission (RAC) regulated three professional boxing events and one in 2008 for a total of four events. Each event has been held at the River Rock Casino to a sold out crowd. After regulating four events, RAC has gained valuable experience and best practise advice from counterparts in Canada and the USA with respect to improvements to the effectiveness of the Commission. The purpose of this report is to amend the existing Athletic Commission Bylaw with respect to the term of Commissioner appointments, as well as introducing a broadcasting fee amendment to the existing Bylaw fee schedule.

Analysis

The proposed RAC Bylaw amendments are detailed below, and included as Attachment 1, Amendment Bylaw No. 8393.

Part 1.4.2.1 Terms of Appointment

The current Athletic Commission Bylaw designates appointments of Commissioners for a one year term. Based on the inaugural Commission's experience, up to two months lead time is required for each event to ensure the promoter's compliance to the Athletic Commission Bylaw. Given the requirement for the establishment of relationships within the professional boxing community, and the complexity and technical nature of the regulatory duties carried out by Commissioner's in their roles, staff are recommending an amendment to the bylaw to a two year term which will allow for continuity of Commissioners regulating events.

Schedule A- Broadcasting Fee

Currently the Richmond Athletic Commission Bylaw permits the Commission to require payment for broadcasting fees in Part 1.2: Powers of the Commission:

"1.2.1 The Commission shall have the power to: (iii) Seat and Broadcasting Fees, to require Promoters to pay to the Commission for the purpose of providing funds for its proper expenses, a fee for the Regulated Sporting Event and, if applicable, the broadcast fee, each of which is prescribed in Schedule "A" attached to and forming part of this Bylaw."

While the current bylaw enables the collection of a broadcasting fee, the fee needs to be detailed in Schedule "A". Broadcasting fees for televised professional boxing events are typically calculated on the basis of the negotiated contractual broadcasting arrangements between the Promoter and the broadcasting agency, for example ESPN. The promoter is required to disclose

and provide RAC with copies of any or all broadcasting arrangements and contracts which would be used to determine the broadcasting fee to RAC.

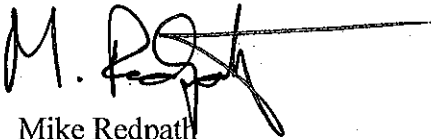
Staff are recommending the inclusion of the broadcasting fee calculation which requires payment of three percent of the first \$1,000,000 plus one percent of the next \$2,000,000 of the total gross broadcasting, television and motion picture rights for the contest or exhibition. This calculation is based on best practises from other Commissions for broadcasting fee arrangements. In 2007 and again in 2008 two events regulated by RAC were televised live on ESPN to millions of viewers worldwide.

Financial Impact

There are no financial implications as a result of this bylaw amendment. Potential increased revenue may be realised should future events regulated by RAC require payment of broadcasting fees.

Conclusion

Approval of these amendments will improve the effectiveness of RAC and continue to ensure that the current regulations governing the integrity of professional boxing are enforced in the City of Richmond.

A handwritten signature in black ink, appearing to read 'M. Redpath', with a long horizontal line extending to the right.

Mike Redpath
Senior Program Manager, Corporate Programs Management Group
604-274-4942
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City of Richmond

Bylaw 8393

Athletic Commission Bylaw No. 8393

The Council of the City of Richmond enacts as follows:

1. Bylaw 8035 is amended by:
 - (a) Deleting subsection 1.4.2.1 in its entirety, and by substituting the following:

“1.4.2.1 All appointments to the Commission shall be for a term of two (2) years without remuneration.”; and
 - (b) Adding to Schedule A the following:

“F. Broadcasting Fee:

Three percent of the first \$1,000,000 plus one percent of the next \$2,000,000 of the total gross broadcasting, television and motion picture rights for the Contest or exhibition based on the face value of the Promoter’s contractual arrangement for broadcasting, television and motion picture rights for the Contest, plus the Goods and Services Tax (GST) if applicable.”
2. This Bylaw is cited as “**Athletic Commission Bylaw No. 8035, Amendment Bylaw No. 8393**”.

FIRST READING

SECOND READING

THIRD READING

LEGAL REQUIREMENTS SATISFIED

ADOPTED

MAYOR

CORPORATE OFFICER

CITY OF
RICHMOND

APPROVED for
content by
originating dept.

APPROVED
for legality
by Solicitor