



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: March 10, 2009
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Meeting Date: March 26, 2009

TO: Standing Committee on City Services and Budgets
FROM: Chief Licence Inspector
SUBJECT: Vancouver Athletic Commission and Mixed Martial Arts Sanctioning

CONSIDERATION

Option A

THAT Council not support the Vancouver Athletic Commission sanctioning Mixed Martial Arts events in the City of Vancouver.

OR

Option B

- A. THAT Council authorize the Vancouver Athletic Commission to sanction Mixed Martial Arts events as outlined in this report;
- B. THAT Council approve the changes in the fees charged by the Vancouver Athletic Commission, as outlined in Appendix A, to go towards the additional administrative costs and expenses of the Vancouver Athletic Commission and City support staff in sanctioning Mixed Martial Arts events;
- C. THAT Council not approve the use of City owned or operated facilities for Mixed Martial Arts events; and
- D. THAT the Director of Legal Services be instructed to bring forward for Council approval any necessary amendments to the Vancouver Athletic Commission By-law No. 2875 to reflect the direction of Council in respect of Council's determinations pursuant to the foregoing Option B.

GENERAL MANAGER'S COMMENTS

A decision on this issue will reflect the values of the City as interpreted by City Council. The B option presented in this report is staff's attempt to minimize the risk inherent in sanctioning Mixed Martial Arts events under the Vancouver Athletic Commission.

COUNCIL POLICY

The *Vancouver Charter* s.338 and the City of Vancouver By-Law No. 2875, which establishes and governs the Vancouver Athletic Commission together, set out the jurisdiction and authority of the Vancouver Athletic Commission ("VAC").

PURPOSE

To provide Council with an update on the role of the VAC and to address Council's inquiries and set out for Council's consideration the options regarding the VAC sanctioning Mixed Martial Arts events (MMA Events) as part of its authority.

BACKGROUND

The VAC was established by Council in 1945 to regulate, control and supervise professional boxing and wrestling contests and exhibitions held in the City of Vancouver. The City of Vancouver By-law No. 2875 and the *Vancouver Charter* provides the Vancouver Athletic Commission's mandate. Recently, the *Vancouver Charter* was amended to recognize professional kickboxing as being within the mandate of the VAC. There is currently no explicit reference to Mixed Martial Arts contained in the By-law, as it is a newer form of combat sport which combines the fighting disciplines used in boxing, wrestling, kickboxing and other combat sports.

The Commission is intended to be a financially self sustaining entity. Modest licensing fees and seat taxes enable Commissioners to attend Annual General Meetings of the Canadian Boxing Federation for discussions and updates on rules and regulations and are intended to cover all the administrative costs incurred by the VAC in carrying out its mandate.

The VAC previously sanctioned five MMA Events that have taken place in Vancouver over the last few years prior to Council directing the Commission to temporarily cease sanctioning these events. Based upon the violent nature of the sport and in light of the growth in its popularity resulting in more requests being received by the VAC to hold MMA Events in Vancouver, the VAC and City Staff are seeking Council's direction as to whether MMA Events are to be within the Commission's mandate.

At the September 20, 2007 Standing Committee on City Services and Budgets, Council moved

- A. THAT Council approach UBCM with the request that the Province of British Columbia establish a provincial body for the purpose of regulating and supervising professional boxing, kick-boxing, wrestling, ultimate fighting, and mixed martial arts contests and exhibitions;
- B. THAT Council direct the Vancouver Athletic Commission to cease sanctioning UF/MMA contests and exhibitions in the City until such time as staff report back with information as requested by Council; and

- C. THAT, in the interim, staff report back to Council with the information concerning:
- i. The role of the Athletic Commission, its regulatory function, and governance options;
 - ii. Succession planning regarding Commission members;
 - iii. The support and tools required by the Athletic Commission to be effective in fulfilling their role;
 - iv. Comments from the Vancouver City Police regarding ultimate fighting and mixed martial arts (UF/MMA);
 - v. Comments from the Vancouver Athletic Commission regarding UF/MMA;
 - vi. Financial implications associated with a decision to disallow UF/MMA at City owned or operated facilities; and
 - vii. Options for cost recovery concerning the Athletic Commission and the related support and tools.

DISCUSSION

Mixed Martial Arts

Boxing, wrestling and kickboxing are often referred to as combat sports. In recent years, combat sports have grown to include Mixed Martial Arts, which is also known as or called Ultimate Fighting. Mixed Martial Arts/Ultimate Fighting are full combat sports in which a wide variety of fighting/mixed martial arts techniques are used, including jiu jitsu, boxing, kickboxing, wrestling and other forms of hand-to-hand combat. These fighting contests are frequently held in cages.

The concept of MMA Events can be traced back many years and has changed from its beginnings as a raw fringe sport with minimal rules and regulations in place. In the early 1990s the sport started to gain international exposure and widespread publicity in the United States with the emergence of the Ultimate Fighting Championships (UFC), which is a trademarked name of an organization that promotes and puts on MMA Events. In order to gain more main stream popularity and for the safety of the athletes, additional rules have been implemented over the last few years such as time limits and prohibiting some potentially dangerous strikes including head butts, biting and eye gouging.

Many jurisdictions worldwide, including within Canada, are currently assimilating the Unified Rules of Mixed Martial Arts, a set of rules that has been adopted by several state athletic commissions in the United States to better protect the safety of the athletes. The Unified Rules of MMA have also been influential in helping to reduce the sport's negative reputation for extreme violence.

Mixed Martial Arts is now sanctioned in approximately 32 U.S. states. The number of sanctioned MMA events that have taken place in both Calgary and Edmonton, two cities in Canada which sanction MMA events, has steadily increased over the past few years. In July 2007 at the annual general meeting of the Canadian Boxing Federation (CBF), a motion was passed to support the sanctioning of MMA championship matches subject to support from the local athletic commissions having jurisdiction. To date, there have been 2 noteworthy MMA Events in Canada. The first MMA championship contest sanctioned by the CBF was held in Edmonton in December 2007 and the first UFC sanctioned MMA contest was held in April 2008 in Montreal. These events were regulated by the Edmonton Combative Sports Commission and the Quebec Athletic Commission respectively.

Based on the violent nature of MMA Events, and the view that MMA Events are more violent than the more traditional professional boxing, wrestling, and kickboxing contests, many athletic commissions within the United States and Canada, are still refusing to sanction MMA Events, including the Provinces of Ontario and Prince Edward Island. In British Columbia, only the Prince George and Vernon Athletic Commissions have sanctioned these events.

Mixed Martial Arts has become one of the fastest growing spectator sports and is becoming more popular than wrestling and boxing with large crowds attending events. The increase in popularity is evident by the rising attendance revenues and the increase in Pay-Per-View buy rates. Conventional media outlets are also starting to depict MMA as an acceptable mainstream sport through increased media coverage. With this recent rise in popularity and the implementation of additional rules and regulations to try to protect the athletes, more jurisdictions are now considering sanctioning MMA Events.

Those states, provinces and municipalities that are considering sanctioning Mixed Martial Arts still question whether there are enough rules and regulations in place to protect the athlete's safety and are concerned about the perceived brutality of the sport.

VAC Regulatory Role

City Council annually appoints the members to the VAC to regulate prize fights and VAC members serve without remuneration. As part of the City's review of advisory committees to Council, the composition of the Commission was changed on December 12, 2006 to have five appointees, rather than four and one Councillor liaison.

The current commission members are:

- George Angelomatis;
- Bryan MacLeod;
- Mirko Mladenovic
- Patrick O'Shaughnessy; and
- Dr. Rajindar Sandhu.

The City Manager also appointed the Chief License Inspector to act as a staff liaison to the Commission to provide advice, assist with coordination with other departments and to ensure that the required venue approvals and licensing are in place for all events.

The Commission appointed Dr. Morgan Brache as its Medical Advisor in the summer of 2006. In compliance with the rigid regulations of the Canadian Boxing Federation, the VAC Medical Advisor, along with the Commission, attempts to keep safety as a high priority. The Medical Advisor and the other ringside physician(s) receive a fee for service which is paid by the event promoter.

To protect the fighters from injury, the VAC has regulated that certain safety requirements be adhered to by the promoters, including the requirement that:

- two doctors be in attendance at each competition;
- an ambulance with attendants be on-site;
- a neurologist be on-call at the nearest hospital;
- pre and post-bout medicals for each fighter be conducted; and
- each fighter be licensed (this includes having various medical tests completed each year and an independent medical confirmation of fitness).

Meetings are called by the Chair to address issues and review all combat sport event proposals. The number of meetings generally increases before and after any scheduled event. The VAC also meets with the promoter to discuss event details, conditions and procedures and appropriate licence and event fees are collected through the City Clerk's office. The VAC regulates the process leading up to and during the event.

As is the case with athletic commissions in other jurisdictions within Canada and the United States, the Vancouver Athletic Commission often receives enquiries and applications from promoters to hold events. The most recent Conditions and Procedures for Sanctioned Events form (Appendix B) is currently under review and is to be finalized by the Commission.

As mentioned, the VAC has sanctioned five MMA Events in Vancouver and received a number of requests to hold additional MMA Events prior to Council's September 2007 direction to temporarily cease sanctioning MMA Events. To date, the VAC is not aware of any serious injuries to fighters that participated in any MMA Events sanctioned by the VAC.

There have been few requests to hold boxing and wrestling events in Vancouver over the past few years. The VAC sanctioned one boxing and one wrestling event in 2007 and received one application for a boxing event in 2008, which was postponed by the promoter. So far in 2009, the VAC has sanctioned one wrestling event in February that was held at the PNE Agrodome.

Provincial Regulatory Role

Past attempts made by the VAC and Council to have the Province take over responsibility for regulating combat sports has not resulted in the Province being willing to establish a regulatory body to oversee combat sports events including MMA. The Union of British Columbia Municipalities (UBCM) did not endorse Vancouver's motion to have the Province establish a provincial body for the purpose of regulating and supervising professional boxing, kick-boxing, wrestling, ultimate fighting and mixed martial arts contests and exhibitions at its recent September 2008 annual meeting. It was noted at this meeting that municipalities currently have the authority to regulate these events and that some municipalities are opposed to them while others have promoted and encouraged them.

VAC Succession Planning

Any changes in membership as a result of succession planning or replacement of members as necessary would require Council approval. In 2007, the VAC became concerned about the lack of succession planning for existing members and began to look at options. As a result, three long standing members decided not to continue as members and Council approved the appointment of three new members. The VAC strategy is to continue replacing existing members over the next few years in order to retain the expertise of some long standing individuals.

VAC Administrative Support/Cost Recovery Options

The VAC recovers its support costs through licence fees and seat taxes that are collected for each contest or exhibition. Currently, when a promoter applies for an event, the VAC charges an annual Promoter's licence (\$300), a seat tax of \$0.10 per occupied seat per event and an event fee (\$150 for boxing, \$500 for wrestling - see Appendix A).

Due to the lack of a regulatory body for MMA Events, such as the Canadian Boxing Federation for boxing, the VAC supervised and oversaw MMA Events prior to Council's direction to

temporarily cease sanctioning MMA contests and exhibitions. The City also found it necessary to direct an increasing amount of staff resources to the VAC during this time.

If Council approves the sanctioning of MMA Events, it is anticipated that there will be a significant impact on the VAC and City support staff due to an increased volume of work as a result of the number of MMA Event applications received. Therefore, it is recommended that the seat tax be increased from \$0.10/seat to \$0.50/seat for every contest or exhibition to partially cover VAC and City support staff costs. The resources required of City staff from Legal Services and Risk Management Departments would remain unchanged and would not be recoverable by a seat tax of this magnitude.

Both Calgary and Edmonton collect gate fees (5% and 3% respectively) to assist with the costs incurred by their respective Commissions. These gate fees, based upon attendance, could be very significant for MMA Events and are much greater than the fees collected currently by the VAC. In Edmonton, the Commission is a self sufficient commission where the Executive Director, with consultation with Commission members, makes decisions regarding the booking of shows, hiring of officials and collects fees for events. In Calgary, the Chief Licence Inspector is appointed to approve event details, on the advice of the Commission through the Chairperson.

FINANCIAL IMPLICATIONS

If the VAC's role is expanded to include sanctioning MMA Events, the recommended fee increase outlined in this report would go towards offsetting the projected administrative staff costs only. The amount of increased revenue would be directly related to the number of events held in any given year with the corresponding staff resources adjusted accordingly. It is very difficult to determine the actual staff costs as these would vary dependent on the number of events, size of events and possible unforeseen issues. If Council determines that it wishes to have the VAC sanction MMA Events, then Staff will review support costs and expenditures annually and report back on any fee adjustments that may be required.

Potential revenue generated from MMA events at City owned or operated facilities, may be negatively impacted if the VAC was not permitted to either sanction MMA events per Consideration Option A i) or sanction events within City owned or operated facilities per Consideration Option B iii). In 2006, VAC reported sanctioning three events which were held at a City owned facility - Pacific National Exhibition (PNE). The PNE estimated that the net revenue brought in from these three events was approximately \$150,000.

COMMENTS OF THE VANCOUVER POLICE DEPARTMENT, PNE STAFF AND VAC

The Vancouver Police Department note that there have been no significant policing issues to date when MMA Events are run professionally and a security plan with policing recommendations are in place. If the VAC does not regulate these events, the Police Department would be concerned that the increasing popularity of MMA may result in promoters holding contests underground where no controlling force would be in place to monitor these events. An event held on Musqueam land in February 2008 resulted in an enforcement issue for the Vancouver Police Department as a firearm was involved. Approximately 20 officers attended the scene where gunshots were fired just after the MMA event concluded. One person was wounded with non life threatening injuries in the incident.

The VPD also note that events that occur at the Pacific National Exhibition are typically run well.

Pacific National Exhibition staff comment that the popularity of these types of events has been growing in recent years and the number of requests to hold these types of events has been increasing. In recent years, MMA contests have shown the most growth compared to wrestling events and boxing matches while the popularity of boxing and wrestling has dramatically decreased such that only one wrestling event was held last year.

The PNE has continued to field inquiries from various local and national MMA promoters to hold MMA events in Vancouver, averaging about 4 to 6 inquiries per month since the VAC temporarily ceased sanctioning MMA events in September 2007. If MMA were to be allowed in Vancouver, and in City facilities, the PNE would staff events accordingly in relation to ticket sales, expected crowd attendance and demographics and they would continue to work in conjunction with the VPD and the VAC to address any specific concerns. If MMA were not allowed in Vancouver, the PNE will continue to expand its event base and continue to look at various genres of sporting and non-sporting events to host onsite.

The Vancouver Athletic Commission passed a motion on April 22, 2008 that the VAC has no objection to professional mixed martial arts events being sanctioned by the VAC.

CONCLUSION

Staff are requesting Council to provide direction as to whether Mixed Martial Arts Events, including Ultimate Fighting contests should be permitted to be sanctioned by the VAC, as outlined in this report, and if sanctioned whether these events should be permitted to be held at City owned facilities.

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Vancouver Athletic Commission
Fee Schedule

Event	Fee Type	Current fee	Proposed fee	Term
Boxing/kickboxing/ mixed martial arts	Promoter's Fee	\$300	No change	Per annum
	Event Charge	\$150	No change	Per event
	Boxer/Fighters License	\$20	No change	Per annum
	Mangers License	\$20	No change	Per annum
	Seconds License	\$5	No change	Per annum
	Seat Tax	\$0.10	\$0.50	Per occupied seat
Wrestling	Event Charge	\$500	No change	Per event
	Wrestlers & Officials License	\$20	No change	Per person per annum
	Seat Tax	\$0.10	\$0.50	Per occupied seat



VANCOUVER ATHLETIC COMMISSION

CONDITIONS AND PROCEDURES FOR SANCTIONED EVENTS

1. Applicants for a Promoter's License should obtain the required application form from the City Clerk's Office. The completed form must be submitted to the Office prior to the meeting at which the application is to be considered.
2. Applicants for a Promoter's License are required to pay a Promoter's License fee by certified cheque. This cheque should be made out to the "**Vancouver Athletic Commission**" and delivered to the City Clerk's Office. Should a Promoter's License be granted, the fee will not be refundable.
3. It is the policy of the Vancouver Athletic Commission (VAC) to restrict the number of shows. Each application must be for one date and must be accompanied by a non-refundable event charge. This application must be received at least thirty **(30) days prior** to the event.
4. Promoters must provide evidence of **commercial general liability insurance** with limits of not less than \$2 million for professional boxing and wrestling events and exhibitions. The required limit of *commercial general liability insurance is to be* increased to a minimum limit of \$5 million for kick-boxing, mixed martial arts and ultimate fighting events. The policy *is to be* issued in the promoter's name and shall name the City of Vancouver and Vancouver Athletic Commission, their officials, officers, employees and agents as additional insureds with respect to liability arising out of the activities and operations conducted by or on behalf of the promoter.

Promoters of a VAC sanctioned event are to provide proof of the insurance at least **10 business days** prior to the event date such that the insurance document can be forwarded to the City of Vancouver Risk Management Department for consideration and approval.

In addition, the promoter is to provide the VAC with evidence of a minimum limit of \$100,000 **medical insurance** coverage for each out-of-province competitor and valid BC medical for BC competitors participating in the event.

NOTE: *Mixed martial arts events approval and requirements currently awaiting City Council approval.*

5. The promoter shall secure a Special Event License from the City of Vancouver prior to the date of the show. Contact the Licence Office at 604-873-7568.
6. (a) A promoter must appear before the VAC **30 days prior** to the event with his/her tentative boxing/ mixed martial arts card with a **minimum of:**
 - **30** rounds of boxing, or
 - **six** bouts of kick-boxing or mixed martial arts, or
 - **15** rounds of professional boxing if the event is a pro-am card.

(Refer to 6(b) regarding combined professional and amateur rounds on a card, noting the same VAC event requirements, timelines, and VAC fees apply).

- (b) A pro-am event will be allowed by the Vancouver Athletic Commission provided:
 - sanctioning of the card has been approved by VAC and Boxing BC, and
 - the promoter complies to the amateur regulations and the professional portion is run in accordance with VAC regulations.
 - (c) The applicant (promoter) must undertake to comply with existing rules and regulations of the governing body or association for the applicant's sport.
 - (d) The Commission reserves the right to cancel a card if the number of rounds are not met. Should the Commission permit a reduced card, the promoter will be fined.
 - (e) If there is a mismatched bout cancelled prior to the fight card, the fighter meeting his/her contractual obligations shall be entitled to not less than fifty percent (50%) of his/her purse.
7. After meeting all the requirements of the Vancouver Athletic Commission Promoter's Checklist, the promoter shall meet with the Commission and the Commission's doctor seven days before the proposed engagement to review the satisfactory completion of all conditions and procedures. The Commission reserves the right to cancel the card at that time, or any later time, if it is not satisfied that these conditions are met.
 8. The promoter shall remit to the Office of the City Clerk, at least **ten days prior** to the show, a certified cheque satisfactory to the Commission and payable to the Commission in an amount equal to the fighters' purses, the costs of officials appointed by the Commission, the estimated medical expenses and any other costs related to the promotion. Specific fees will be made available to promoters at the time of the event.
 9. The promoter shall supply the Commission with a completed copy of the Official Fighter Contract for each and every participant in the show **ten days prior** to the show. All copies of the VAC Official Contract must be signed by the individual holding the Promoter's License.
 10. Pre-fight medical examinations and Weigh-in shall take place on the day prior to the event at a place approved by the VAC.
(Also see Medical Procedures regarding medical forms and bloodwork requirements).

The VAC recommends the promoter provide copies of the waivers to fighters prior to Weigh-in to allow an opportunity for participants to review waivers and have them translated, if necessary, prior to fighters signing the documents in the presence of a VAC representative.

11. Fighters, Managers and Seconds shall produce their current license issued by the Commission or secure their license at the weigh-in. At the weigh-in fighters will also be responsible for completing: (i) Release of Liability, Waiver of Claims and Indemnity Agreement, and (ii) Drug Testing Consent form.
12. Following the promotion, the Vancouver Athletic Commission will provide the promoter with a statement of expenses related to Condition # 8. Any unused funds will be refunded to the promoter. The promoter bears responsibility for any unpaid licenses.
13. VAC Licenses for Fighters, Managers, Seconds and all Officials are issued for the calendar year and **expire December 31st** each year.
14. The promoter is responsible for supplying the number, size and type of gloves as required by the Vancouver Athletic Commission.
15. Any fighter suspended by a Commission in any other jurisdiction will not be granted a license by the Vancouver Athletic Commission until the said suspension is lifted, nor will he/she be allowed to participate in any show while the said suspension remains in effect.
16. Any fighters over their contracted weights by **more than two pounds** will be subject to a fine or a refusal to be allowed to participate.
17. The promoter shall be subject to a fine if the card does not commence at the designated time.
18. The VAC will advise the promoter of the number passes required for the Vancouver Athletic Commission and its officials to attend the event in their respective roles.

*(Refer to page 5 for the Vancouver Athletic Commission **Drug Testing Policy**)*

MEDICAL PROCEDURES

1. The Commission Doctor has final authority on all medical matters.
2. **Ten days prior** to each match the promoter shall supply the Commission Doctor with a completed and signed medical examination form for each fighter and stand-by fighter. *Note:* the Commission Doctor requires sufficient time to review the medical forms, therefore incomplete or late forms may result in a fighter not being permitted to participate in the event.

The Vancouver Athletic Commission authorized medical form is enclosed with the contracts. Completion of this form by a licensed physician is mandatory and this medical examination must have been completed **within 90 days prior** to the event.

3. Fighters who have fought a match within thirty **(30) days** of the forthcoming promotion must be **re-examined** by the Commission Doctor or another licensed physician.
4.
 - (a) All fighters are required to present to the Commission Doctor **ten days prior** to the proposed event, a blood test that includes an HIV, Hepatitis B and C, and CBC tests. The HIV, Hepatitis B and C, and CBC blood tests must be completed **within six months prior** to the event date.
 - (b) On the recommendation of the Commission Doctor, the Commission reserves the right to exclude a fighter.
 - (c) In addition to (a), all female fighters must fulfil those requirements as outlined by the Canadian Boxing Federation (CBF) to the satisfaction of the Vancouver Athletic Commission medical doctor.
 - (d) Fighters must also provide confirmation of present medical coverage including the carrier and policy number. *(Refer to Condition # 4).*
5. Contestants may, at the discretion of the Vancouver Athletic Commission, be required to undergo further medical testing before a match.
6. The Vancouver Athletic Commission will appoint two physicians at ringside for each promotion. The Commission Doctor will arrange for an ambulance and trauma trained first aid attendants to be in attendance. *(Refer to Condition # 8 pertaining to funds held in trust to cover these expenses).*
7. The Commission Doctor will be responsible for any immediate pre-fight medical problems. He/she will also provide immediate treatment and assessment of any injuries during a fight. Fighters are to be available for post-fight physicals.
8. In the event that any treatment is required after the fight, such as stitching of cuts or observations of head injuries, the fighter's manager will be directed by the doctor to the nearest hospital emergency department to receive such treatment. The doctor will ensure that the fighter is stabilized, that all cuts have been cleaned and properly covered, and that the fighter is safe for transport before allowing the fighter to leave for the hospital.
9. The Commission is **not** responsible for any costs incurred in the transporting or hospitalization of fighters. The Commission recommends that fighters carry adequate medical insurance.
10. The Commission Doctor has the power to stop any fight if, in the Doctor's opinion, the fighter faces the risk of serious injury.
11. A corner person may also stop the fight if he/she fears for the safety of his/her fighter.

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Also refer to VAC Drug Testing Policy and Procedure