



CITY OF RICHMOND

REPORT TO COUNCIL

TO: Richmond City Council
FROM: Jim Bruce
General Manager, Finance and Corporate Services
DATE: February 5, 2001
FILE: 8060-20-7048
RE: **Business Licence Suspension**

STAFF RECOMMENDATION

That Council issue a Business Licence Suspension Order to the business operating under the name "espot" for the inclusive period from 8:00 am Saturday February 17, 2001 through to 8:00 am Monday March 5, 2001.

A handwritten signature in black ink, appearing to read "Jim Bruce".

Jim Bruce
General Manager, Finance and Corporate Services

STAFF REPORT

ORIGIN

The City in the Year 2000 commenced an effort to improve safety in businesses defined as adult entertainment establishments. These business establishments included such businesses as massage parlours, pool halls and escort services.

To help ensure the safety conditions were met, Council, upon the recommendation of City staff and the RCMP, placed varying restrictions on the hours of operation for these establishments. City staff have also stepped up enforcement efforts on these new regulations and most businesses have responded positively to these rules. However, there are still a few of these businesses who have failed to comply and the continual issuance of tickets and related fines have not seemed to have had any impact on forcing rule compliance. This report details one of these businesses.

ANALYSIS

The business in question is a pool hall and arcade center operating at #160 – 7951 Alderbridge Way under the business name of “espot”. To date this business has received 6 municipal tickets for three separate infractions all for the same reason, namely, operating outside the permitted hours. A business licence suspension hearing was held on January 31, 2001. The minutes from that meeting are attached.

It would appear from our enforcement efforts and the hearing evidence that the business is not prepared to operate within the City’s bylaws, and as such, a suspension of their business licence would send the appropriate message that the City is serious about its bylaws.

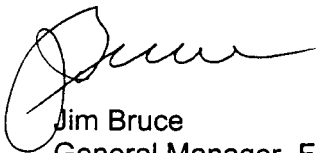
I should also point out that the other pool halls within the City are in compliance with the City’s bylaws and as long as “espot” continues to operate outside the permitted hours, they are gaining a financial advantage.

FINANCIAL IMPACT

There is no financial impact to the City with enforcing the suspension.

CONCLUSION

The business known as “espot” continues to operate in contravention of the City’s bylaws and a Business Licence Suspension Order should be issued.



Jim Bruce
General Manager, Finance and Corporate Services

JWB:naw

Attach.1.

“espot” LICENCE HEARING

Meeting, January 31, 2001

9:30 am

Room T2.103

Attendees:

Jim Bruce -----staff
Vic Duarte-----staff
B. Wing-Chu Lau-----owner
George Wong-----owners legal representative

Jim Bruce started meeting on time and explained the process and why B.Wing-Chu Lau was here.

- Half way through the explanation George Wong arrived and advised he was representing B.Wing-Chu Lau and I started the process over and asked Vic Duarte to present his finding.
- Vic Duarte presented findings October 15 “espot” approached the City for a licence to operate.
- Shortly after opening city had received complaints that “espot” was operating in contravention to the operating hours. Police were advised and visited “espot” and found them open past hours.
- November 8, 2000 Mr. Tang the “espot” manager attended at City Hall and met with the licence inspector Joanne Hikida and was again advised about the complaints and late night closing hours.
- November 24, 2000 Vic Duarte attended “espot” at 1:30 am and the open sign was still on. Closing time for everyone except staff to be out is 1:00am.
- Vic Duarte found 32 vehicles in parking lot, 30 people shooting pool on 13 tables and 17 people playing arcade games.
- Vic Duarte talked to a Mr. Chan who identified himself as the manager and issued 2 MTI's for bylaw contravention in relation to hours of operation.
- December 14, 2000 Vic Duarte stopped by “espot” at 1:31 am and noticed that there were several cars in the parking lot even though the open sign was not illuminated.
- Vic Duarte entered the premises and found 16 people shooting pool and 13 playing arcade games.

"espot" con't

- Vic Duarte was approached by a Mr. Chang who advised Vic Duarte he was the manager on duty. Vic Duarte advised him about the hours of operation. Vic Duarte issued two MTI's for operating outside the permitted hours.
- December 15, 2000 George Wong called Vic Duarte to discuss the tickets and discuss what it would take to comply with laws of operation.
- George Wong committed to pay the 4 outstanding MTI's and comply with all the rules. Vic Duarte advised George Wong that if he guaranteed compliance with the rules then he would not send a report to Jim Bruce detailing the past infractions. George Wong agreed that if this happened then his client would be in compliance with all the city rules. Subsequently all 4 MTI's were paid.
- January 3, 2001 Vic Duarte was doing inspections of various business licence operations and visited another business that is owned by same owners as "espot". Vic Duarte left and went to "espot". As he arrived at "espot" 1:42am, Vic Duarte noticed 9 cars leaving the "espot" parking lot, yet a lot of cars still in the "espot" parking lot. Vic Duarte believes that the owner called ahead to "espot" to warn them of his potential visit.
- Vic Duarte approached "espot" and was met at the door by a Mr. Chan who identifies himself as the manager and advises Vic Duarte they are closed. Vic Duarte wants to go inside and is finally let in and finds 20 people inside the premises but not playing.
- Vic Duarte advises they all must leave and warns about being open but does not issue any MTI's.
- January 7, 2001 RCMP visit "espot" at 2:15am and find "espot" open. They enter and find 150 people in the premises playing pool and arcade games.
- RCMP talk to manager about being open past allowed hours and the manager advised he is just following owners orders.
- RCMP issue 2 MTI's for operating outside legal hours.
- George Wong Presents
 - George Wong given opportunity to make his presentation on behalf of owner. We don't think what has been done is serious. Although there have been 6 tickets there is actually only 3 times that the rules have been broken. This isn't serious over a three month period.
 - George Wong realises this is not an excuse but there have been three different managers and when each infraction has occurred it has been a different person and therefore a lot of confusion exists so this should be given consideration.

espot "con't

- "espot" has 25 pool tables and 50 arcade machines and it is awkward to get everyone out on time. This should be considered as winding down and not actually playing time.
- George Wong referred to the Dec. 14 incident and tried to argue that, as there was only 16 people playing pool this is such a small number in comparison to the numbers that are allowable for the premises that this should be taken into consideration.
- George Wong advised that there was no evidence of anyone playing pool on the Jan 3, 2001 visit.
- George Wong pointed out that even though there have been these ticketable infractions that they were actually about 1 month apart and as such this is not actually a big deal. "espot" is open seven day a week and these infractions only represent roughly 3% of the total operating time and sometimes there is only a 15 minute problem.
- George Wong agreed to the fact he had discussed concerns with Vic Duarte and agreed that the conversation centred around paying the outstanding MTI's and compliance if no report to the Chief licence Inspector.
- George Wong got input from the owner at this point and the concern centred around the idea that "espot" was being singled out and not being treated the same as the other pool halls. Because of this belief they stay open later to ensure they don't lose clientele.
- Jim Bruce concerned about these comments and asks Vic Duarte if he was also inspecting other pool halls or just "espot"?
- Vic Duarte advised that on November 24, 2000 he visited all pool halls and issued warnings. He has subsequently visited all pool halls and all others are in compliance with the bylaw.
- George Wong advised that he was not going to dispute his client was operating outside the approved laws and he wanted to make sure that Jim Bruce understood that the owner was not going to continue to pay the fine and stay open. They want to comply and they would make sure this would happen.
- Jim Bruce concluded the hearing with explaining the process from here and committed to have a decision by early next week. Also advised that if anything was to go to Council it would be at an open session on Feb. 12, 2001