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CITY OF RICHMOND

REPORT TO COUNCIL

TO:

Richmond City Council

DATE:

October 3, 2001

FROM:

Jim Bruce

FILE:

8060-20-7048

RE:

General Manager, Finance and Corporate Services

Suspension of Business Licence for Richmond Holiday Massage Health Centre

STAFF RECOMMENDATION

That Council suspend the Business Licence of Richmond Holiday Massage Health Centre for the period October 12, 2001 through November 10, 2001 both dates inclusive.

General Manager, Finance and Corporate Services

Att.

FOR ORIGINATING DIVISION USE ONLY

CONQUERENCE OF GENERAL MANAGER

STAFF REPORT

ORIGIN

The City continues to enforce its business licence bylaws with an emphasis on the operating hours and permissive functions within the business complex. These efforts are part of our continuous effort to promote customer and employee safety and to ensure that all businesses are operating in a consistent manner so as to not prevent one business gaining an operational advantage over another business in the same business category.

<u>ANALYSIS</u>

City staff and RCMP personnel continue to make unscheduled visits to various adult entertainment businesses to ensure business operations comply with City regulations. Many of these businesses, because of the nature of the business, are open late at night. The RCMP have on several occasions advised Council of their concerns relative to these types of businesses and the impact on the community of extended operating hours and RCMP policing costs.

The Richmond Holiday Massage Health Centre is considered an adult entertainment establishment. This business continues to ignore the City's hours of operation for such a business and has in fact received 8 Municipal Ticket Information for various bylaw infractions. Specifically the current operators have received a total of 7 Municipal Ticket Informations since March 2000.

This business has appeared before the Chief Licence Inspector on September 19, 2001 to review its operations and to explain why they continue to operate in contravention of the City's business operating regulations and bylaws. Having completed the review and taking into consideration information from the City's Business Licence Inspector, I believe this business should have their licence suspended for a period of roughly 30 days. The information detailed in Attachment 1, reflects the information that is the basis of this recommendation.

FINANCIAL IMPACT

There is no direct financial impact for the City.

CONCLUSION

That Richmond Holiday Massage Health Centre continues to ignore the City's business licence bylaw and regulations and as such, their non-compliance warrants a business licence suspension of roughly 30 days that should be enforced from October 12, 2001 through November 10, 2001 both dates inclusive.

Jim Bruce

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JWB:naw

CITY OF RICHMOND



LICENCE SUSPENSION HEARING HOLIDAY MASSAGE HEALTH CENTRE

MINUTES

HELD September 19, 2001 Room T2.121 at 10:00 am RICHMOND CITY HALL

In Attendance:

Mr. Victor Duarte (VD) Mr. Jim Bruce (JB) Mr. E. Kwang (EK) Ms. J. Mok (JM)

- 1. JB introduced himself and described the reason for the hearing and explained the process including the steps that would be followed if Council was to get involved.
- 2. VD made his presentation and brought forward the following information:
 - the City had received a letter of complaint which referenced the business using under age girls
 - the City had previously received a phone complaint stating that the business had been employing under age girls
 - JB asked if VD had been able to substantiate these comments about under age girls and VD said he had not been able to gather any such evidence
 - VD made a regular inspection stop on August 1st at about 12:30 am which was past the closing hours
 - VD parked across the street from the business to observe as he noticed some activity at the location. There was movement of the curtains and he could notice someone moving inside
 - VD moved the car to the parking lot behind the business and started to watch for activity. This was 12:46 am
 - VD went to the front door and tried to get in but no one responded. A dog was barking from the inside of the business

- VD returned to his vehicle at back of premises, moved the vehicle to a new location that allowed him to watch the back door and he waited to see what would happen
- VD waited and at 12:57 am a person came out the back door. Then JM came out also
- VD approached JM and advised he wanted to come in and inspect the premises. JM advised VD they were closed and he could not go in. After some discussion, JM let VD into the premises, this was now 1:04 am
- VD observed that there was one employee in the lounge area and three rooms with customers
- VD interviewed one of the customers who said he was waiting for his massage to start
- VD issued a ticket to the business
- JB asked EK to present his side of the events
- EK admitted that business was very slow so he had to stay open
- JM admitted they often stay open past closing hours as business is very slow and they need money to pay the rent
- EK and JM were asked by JB about the allegations of employing under age workers.
 They admitted that many customers ask for young girls but they do not provide that service.
- JM said they tell customers to come early for massage because they know they have to be closed early
- EK said they rent the premises from a company but they have only had 7 tickets and not 8. One of the tickets must have been issued before they took over
- JM advised that they tell customers they must leave early but often they won't because they ask the girls for longer massages which takes them past closing time
- VD commented that the night he was there several customers hadn't even started their massage and it was past 1:00 am
- JM said she knew what they had done was wrong but said they now close at the right hours demanded by the City and being open late won't happen again. Asked to have another chance to prove this and asked that we did not take any action that would affect their business as it was very slow
- JB again explained the next step in the process and advised that VD would hand deliver by Friday, a letter that would detail the outcome of this hearing.

Meeting ended at 10:28 am



City of Richmond

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September 21, 2001 File: 8275-20

Finance & Corporate Services
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Mr. Yim Man Kwong Lau & Yim Holdings Ltd., doing business as Richmond Holiday Massage Health Centre Unit 151-5951 Minoru Blvd. Richmond BC V6X 4C7

Dear Mr. Kwong:

Re: Richmond Holiday Massage Health Centre Business Licence Review Hearing

This correspondence will serve as official follow-up to your business licence review hearing held before me at Richmond City Hall at 10:00 a.m. on Soptember 19, 2001 in meeting room T.2.121.

I have now had the opportunity to review all the facts as presented by Mr. Duarte, the City's representative who presented his findings as gathered at on-site visits. I have also taken into consideration all the comments put forward by your representatives Mr. D. Kwong and Ms. C. Mok. The findings clearly indicate that your business was operating in contravention to the City of Richmond Business Licence and Regulations bylaws.

You have now had 7 ticketable bylaw offences and have been given warnings about a continuing problem of contravening the bylaws. Although this warning did not result in a suspension hearing, you were given warning that further contraventions could result in suspension hearings. These contraventions continued and I therefore had no alternative but to hold a suspension hearing.

The facts presented indicate that a licence suspension is warranted. I will therefore be recommending to Richmond City Council that your business licence be suspended from October 12, 2001 through November 10, 2001 both dates inclusive, which is a total of 30 days.

This recommendation will be dealt with by Richmond City Council at their meeting of October 9, 2001 at City Hall, 6911 No. 3 Road. This meeting will commence at 7:00 p.m. sharp and you have the right to appear before Council to debate the recommendation and to present your case as to why the recommendation should not be supported. Should you wish to attend the meeting to present your case, please contact Mr. Richard McKenna, the City Clerk, and he will ensure you are added to the Council agenda as a delegation.



Should you have any questions regarding this recommendation, or the process relating to the Council meeting, please feel free to call me directly at 276-4095.

Jim Bruce

Yours truly,

General Manager, Finance and Corporate Services

JWB:tlm

pc:

J. Hikida

V. Duarte

R. McKenna

A. Spevak - RCMP