



CITY OF RICHMOND

REPORT TO COUNCIL

TO: Richmond City Council
FROM: Jim Bruce
General Manager, Finance and Corporate Services
DATE: October 3, 2001
FILE: 8060-20-7048
RE: Suspension of Business Licence for Swan Lake 88 Enterprises Co.Ltd

STAFF RECOMMENDATION

That Council suspend the Business Licence of Swan Lake 88 Enterprises Co.Ltd. for the period October 12, 2001 through November 10, 2001 both dates inclusive.

Jim Bruce
General Manager, Finance and Corporate Services

Att.

FOR ORIGINATING DIVISION USE ONLY
CONCURRENCE 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.

ANALYSIS

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 Swan Lake 88 Enterprises Co. Ltd. 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 previously received Municipal Ticket Informations for various bylaw infractions.

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 and the RCMP, 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 Swan Lake 88 Enterprises Co. Ltd. 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
General Manager, Finance and Corporate Services

JWB:naw



**LICENCE SUSPENSION HEARING
SWAN LAKE 88 ENTERPRISES CO. LTD**

MINUTES

**HELD September 19, 2001
at 9:40 am Room T.2.121
RICHMOND CITY HALL**

In Attendance:

Mr. Vic Duarte (VD)
Mr. Jim Bruce (JB)
Mr. P. Li (PL)

1. JB opened the meeting and explained the process for the hearing and why PL was here. JB asked VD to start off the hearing with his presentation.
 - VD commenced his presentation with reference to findings by the RCMP and their last site inspection
 - The RCMP conducted an on site inspection on August 12, 2001 at roughly 8:30 pm. Upon entering and checking the first room, it was locked from the outside. This is against the regulations. Shortly after attempting to open the door the RCMP officer was allowed entry. It was observed that the employee was putting her top back on and a male customer was sitting on a chair partially clothed. The RCMP report indicating that the customer had on pants, however, his undergarments and socks were sitting by the shower door.
 - VD elaborated on the conversation between the customer and the RCMP and verified that the customer had received a massage from the employee who was nude at the time of providing the service.
 - VD detailed the past inspections of this business
 - VD explained that the business had received two previous Municipal Ticket Information for bylaw infractions. The last one was on May 1st of this year and it was specific to the dress code regulations.
 - VD advised he had, on previous visits, reiterated to PL about proper dress code regulations and the intolerance for sexual activity on the business premises.
 - VD advised that he had arranged a Health Board Seminar on September 10, 2001

- JB asked PL to make his presentation
- PL said he did not have much to say except he tries to follow the rules
- PL said business is very slow and the last incident on August 12, 2001 should not have happened as he has told his employees they must follow the rules
- PL said it is very hard to make sure the girls follow the rules as he can't control them when they are in the room
- PL said he has followed all our rules and asked that they be given one more chance. He advised that the girl that caused the problem on January 8th was let go because of her actions
- PL again said business was slow and a licence suspension would be a financial hardship so he would like one chance and promised to make the girls follow the rules
- JB explained what would happen from here and advised PL that VD would deliver a letter by Friday September 29, 2001 detailing JB decision.



City of Richmond

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September 19, 2001
File: 8275-20

Finance & Corporate Services
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Tax 276-4145

Mr. Chi Yau Patrick Li
Swan Lake 88 Enterprises Co. Ltd.
doing business as
Swan Lake Shiatsu
Unit 1120- 4651 Garden City Road
Richmond BC V6X 4A9

Dear Mr. Li:

**Re: Swan Lake Shiatsu
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 9:30 a.m. on September 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 both his findings and those of the RCMP as gathered at on-site visits. I have also taken into consideration all the comments put forward by yourself.

The findings clearly indicate that your business was operating in contravention to the City of Richmond Business Licence and Regulations bylaws. You have been cited for two previous infractions prior to the RCMP's last visit on August 12, 2001. This last visit by the RCMP indicates that you were again operating in violation of the Business Licence Bylaws and in fact, the RCMP indicated that there was specific evidence that would indicate that there were activities taking place in the room that is not permitted with any type of business licence for the City of Richmond.

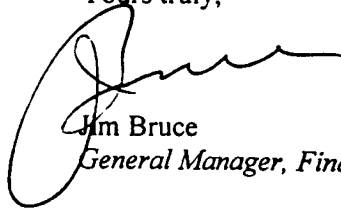
The Facts presented indicate that a licence suspension is warranted. I will therefore be recommending to Richmond City Council that your business licence be suspended from October 12, 2001 through November 10, 2001 both dates inclusive, which is a total of 30 days.

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.

Yours truly,



Jim Bruce
General Manager, Finance and Corporate Services

JWB:tlm

pc: J. Hikida
V. Duarte
R. McKenna
A. Spevak - RCMP