



**To:** Richmond City Council  
**From:** W. Glenn McLaughlin  
Chief Licence Inspector

**Date:** March 2, 2010  
**File:** 12-8275-06/2010-Vol  
01

**Re:** **Business Licence Suspension Hanma (Canada) Investments Ltd.,  
dba: Blue Sea Spa**

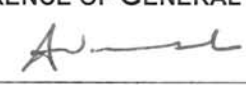
**Staff Recommendation**

That Council suspend the business licence of Hanma (Canada) Investments Ltd., doing business as Blue Sea Spa, operating from premises located at Unit # 100-3311 No. 3 Road, Richmond, B.C., for a period of 30 days on dates determined by the Chief Licence Inspector.



W. Glenn McLaughlin  
Chief Licence Inspector  
(604-276-4136)

Att. 2

FOR ORIGINATING DEPARTMENT USE ONLY			
<b>ROUTED TO:</b>	<b>CONCURRENCE</b>		<b>CONCURRENCE OF GENERAL MANAGER</b>
Law	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>		
RCMP	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>		
<b>REVIEWED BY TAG</b>	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	<b>REVIEWED BY CAO</b> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>

**Staff Report**

**Origin**

The City of Richmond, in partnership with other regulating agencies, continue to regulate businesses, with emphasis on businesses operating within the guidelines of all applicable bylaws, statutes and regulations. These efforts are to promote customer and community safety and to prevent businesses from obtaining operational advantages from other businesses in the same licence category by breaching City of Richmond bylaws.

**Analysis**

This report deals with bylaw infractions noted from routine inspections conducted at Hanma (Canada) Investments Ltd., doing business as Blue Sea Spa, operating at 3311 No. 3 Road –Unit #100 in the City of Richmond, British Columbia. Blue Sea Spa is licenced as an Adult Oriented Use (AO) category business and must adhere to the Body-Painting/Body-Rub Studio Regulation, Part Seven of the Business Regulation Bylaw No. 7538.

Blue Sea Spa had received a 30 day business licence suspension from Richmond City Council in February of 2004 for breaches of City of Richmond Regulations, primarily for operating outside permitted hours. Since that suspension Blue Sea Spa has been issued 11 violation notices of which seven violations are noted over five occurrence dates in a 13 month period for failing to register an employee, smoking violations and for permitting the wearing of outer garments not covering from the neck to the knee and elbows.

*Violation Table*

<b>DATE</b>	<b>VIOLATION</b>	<b>BY-LAW</b>
December 13, 2009	Permitting the wearing of garments not covering from the neck to the knee and elbows.	Business Regulation Bylaw No 7538 – 7.3.1 c
November 7, 2009	Smoking	Public Health Protection Bylaw No 6989 – 6.1.2
October 23, 2009	Permitting the wearing of garments not covering from the neck to the knee and elbows.	Business Regulation Bylaw No 7538 – 7.3.1 c
May 14, 2009	Smoking	Public Health Protection Bylaw No 6989 – 6.1.1
February 8, 2009	Smoking	Public Health Protection Bylaw No 6989 – 6.1.1
February 8, 2009	Smoking	Public Health Protection Bylaw No 6989 – 6.1.2
Nov 13, 2008	Failure to provide written notice of change in personnel employed/engaged by body-painting/body-rub studio	Business Regulation Bylaw No 7538 – 7.1.1 a
September 10, 2005	Failure to provide written notice of change in personnel employed/engaged by body-painting/body-rub studio	Business Regulation Bylaw No 7538 – 7.1.1 a

DATE	VIOLATION	BY-LAW
June 14, 2005	Smoking	Public Health Protection Bylaw No 6989 – 6.1.1.1 (a) to (k)
June 14, 2005	Failure to provide written notice of change in personnel employed/engaged by body-painting/body-rub studio	Business Regulation Bylaw No 7538 – 7.1.1 a
April 13, 2005	Failure to provide written notice of change in personnel employed/engaged by body-painting/body-rub studio	Business Regulation Bylaw No 7538 – 7.1.1 a

Given the seriousness and repetition of the most recent violations, on February 10, 2010 a Licence Review meeting was held with the Chief Licence Inspector to determine if licence discipline by City Council was warranted. Present were De Qun YANG the owner of Blue Sea Spa accompanied by two employees and Wallace WONG legal Counsel, plus a paralegal and an interpreter. Constable Billy LEUNG and Constable CHAPLIN of the Richmond Detachment of the RCMP and City of Richmond Licence Inspector, Victor DUARTE were also in attendance.

Legal counsel for Blue Sea Spa was provided details of the noted infractions (Appendix 1) which were then presented by Licence Inspector Duarte supported by the attending members of the RCMP.

The licensee, through their counsel, was permitted the opportunity to question and comment on the information presented and were requested to submit a written response to the Chief Licence Inspector in regards to the information presented.

On February 24, 2010, the City received correspondence dated February 23, 2010, from legal counsel for Blue Sea Spa (Appendix 2) responding to the three occurrence dates of October 23, 2009, November 12, 2009, (corrected to be November 7, 2009), and December 13, 2009.

In response to occurrence dates of **October 23, 2009** and November 12, 2009 (corrected to be **November 7, 2009**), listed as the first and second violations, the respondent noted the prompt payment of fines of \$100.00 and \$1000.00, respectfully, and asserts that the fines paid in these occurrences are the appropriate sanction. In addition, indicating that they were not aware that the violations for which Blue Sea Spa had been ticketed, could potentially lead to the suspension or loss of its business licence.

The third violation dated **December 13, 2009**, resulted in a Municipal Ticket issued against the employee of Blue Sea Spa and not to his client and it is argued that this violation should be excluded from consideration. Staff's position is that regardless of whom the violation notice is issued to, it is the licensee's responsibility to ensure compliance with the regulating bylaws within their establishment.

Staff also note that no Municipal Ticket infraction was issued for the breach of section 7.2.1(b) of the Business Regulation Bylaw No 7538, *requiring the operator of a body-painting/body-rub*

*studio to have each room illuminated when either the door to such room is closed; or such room is occupied*, as noted by the attending RCMP members on October 23, 2009. This infraction also occurred on December 13, 2009 and disclosed at the licence discipline meeting on February 10, 2010 by the Licensee's counsel and RCMP members.

Staff consider the bylaw violations warrant Council's consideration under Section 15(1)(e) of the Community Charter, which provides for the suspension or cancellation of a licence for failing to comply with terms or conditions of a licence or failing to comply with a bylaw.

In careful consideration of all the information received, it is the opinion of the Chief Licence Inspector that this business should have its licence suspended for a period of 30 days.

**Financial Impact**

None

**Conclusion**

There have been multiple bylaw violations by Blue Sea Spa since their 2004 suspension warranting a suspension for 30 days on which dates can be determined by the Chief Licence Inspector following Council's suspension authorization.



W. Glenn McLaughlin  
Chief Licence Inspector  
(604-276-4136)

WGM:vmd

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**INFORMATION:**

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**Business:** Hanma (Canada) Investments Ltd. dba:  
Blue Sea Spa.

**Address:** 3311 No 3 Road – Unit # 100, Richmond, BC V6X 2B6

**Ref. File #:** 02202936

**Meeting Date:** Wednesday, February 10, 2010

**Time:** 10:00 a.m.

**Location:** Room T.4.139, Richmond City Hall, 6911 No. 3 Road, Richmond, BC

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**History:**

Hanma (Canada) Investments Ltd., doing business as, and here after referred to as “Blue Sea Spa” operates an Adult Oriented Use (AO) category business, sub-category of Body-Rub Studio and must adhere to the Body Rub Studio Regulations, Part Seven, of the Business Regulation Bylaw No 7538.

The owner, De Qun YANG, has operated Blue Sea Spa since it first opened in June of 2002, operating at 3311 No 3 Road – Unit # 100, in the City of Richmond, Province of British Columbia.

As an Adult Oriented Use (AO) business, Blue Sea Spa and other businesses in the same category, are routinely inspected by various regulatory enforcement groups to ensure compliance of various regulations.

Blue Sea Spa received a suspension by Richmond City Council in February of 2004 for the period of 30 days commencing February 14, 2004 through March 14, 2004, both dates inclusive.

Since this suspension of 2004, Blue Sea Spa has been responsible for a noted 13 violations which resulted in the issuance of Municipal Ticket Information’s (MTI’s) for various offences under the Public Health Protection Bylaw No 6989 and the Business Regulation Bylaw No 7538. A noted 8 violations were issued in 2009 over 5 occurrence dates.

**Current Information:**

On **October 23, 2009** at or about 10:50 p.m., Members of the Richmond RCMP Police, Corporal PETERS, Corporal DHILLON, Constable SHIN and Constable MUSHI, attended Blue Sea Spa at 3311 No 3 Road, - Unit # 100, for a routine inspection to ensure compliance of the Body Rub Studio Regulations. The following is a narrative of this inspection.

During this inspection, Cpl. PETERS observed lights off in occupied rooms, numbered, 6, 8 and 11, each containing a male customer and a female masseuse. This is a violation of section 7.2.1 (b) of the Business Regulation Bylaw No 7538, which states Every room used by the operator of a body-painting/body-rub studio for a body-rub or similar service must:

be equipped with lighting of at least 550 lux, which must remain illuminated when either the door to such room is closed; or such room is occupied.

During this inspection, Cpl. DHILLON observed female masseuse in room 11 not wearing pants. This is a violation of the Business Regulation Bylaw No 7538, section 7.3.1(c), which states; An operator of a body-painting/body-rub studio must not permit any person engaged in providing a body-rub or other service to be in such premises unless such person is wearing clean, washable, non-transparent outer garments, covering his or her body between the neck and the top of the knee, the sleeves of which must reach below the elbows. A copy of Occurrence Report attached as – **Attachment 1**

As a result of this inspection by RCMP on October 23, 2009, Licence Inspector for the City of Richmond, Victor DUARTE, attended Blue Sea Spa on November 02, 2009 and issued MTI (21839) for the noted violation, section 7.3.1(c) of the Business Regulation Bylaw No 7538. This violation carries a fine of \$100.00. A copy of MTI attached as – **Attachment 2**

This fine was paid on November 12, 2009 – Copy of Receipt – **Attachment 3**

On **November 07, 2009** at or about 9:50 p.m. RCMP officers including Constable LEUNG attended at Blue Sea Spa and noted a fresh smell of cigarette smoke within the premises. Cst. LEUNG notes:

- 1) a fresh cigarette butt inside a garbage can (near the top);
- 2) one cigarette butt on the tiles near the tub;
- 3) one lit cigarette found underneath a table in the area;
- 4) fresh cigarette butts inside a Styrofoam cup filled with liquid. A copy of Occurrence Report attached as – **Attachment 4**

On December 03, 2009, DUARTE attends business with Bylaw Officer D. BENNING. DUARTE issues MTI (21959) for permitting or allowing smoking, section 6.1.2 of the Public Health Protection Bylaw. DUARTE speaks with owner, De Qun YANG and informs YANG his business has received numerous violations for permitting smoking inside this premise and the City of Richmond will not tolerate further violations of the Public Health Protection Bylaw. This violation carries a fine of \$1,000.00. A copy of MTI attached as – **Attachment 5**

This fine was paid on December 08, 2009 – Copy of Receipt – **Attachment 6**

On **December 13, 2009**, at or about 5:00 p.m., Cst. LEUNG and Cst. CHAPLIN conducted a routine inspection at Blue Sea Spa. Cst. LEUNG observed a female employee and male customer conducting an activity not covered under any licence category. A copy of Occurrence Report attached as – **Attachment 7**

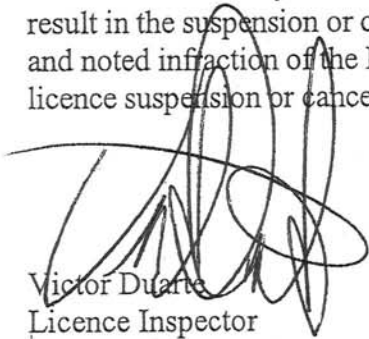
Cst. LEUNG issued MTI 22560, for a violation of the Business Regulation Bylaw No 7538, section 7.3.1(c), which states; An operator of a body-painting/body-rub studio must not permit any person engaged in providing a body-rub or other service to be in such premises unless such person is wearing clean, washable, non-transparent outer garments, covering his or her body between the neck and the top of the knee, the sleeves of which must reach below the elbows. A copy of MTI attached as – **Attachment 8**



This fine was paid on December 15, 2009 – Copy of Receipt – **Attachment 9**

The City of Richmond continues to enforce bylaws with emphasis on businesses operating within the guidelines of all applicable bylaws, statutes and regulations within the business premises. These ongoing efforts are in order to promote customer and community safety.

A licensee, operator, or any other person who violates or who causes or allows any provisions of the Business Regulation Bylaw No 7538, or fails to comply with the provisions of any other bylaw or statute, is deemed to have committed an infraction of the Business Licence Bylaw No 7360 or the Business Regulation Bylaw No 7538 and could result in the suspension or cancellation of the licence. In careful consideration of the severity and noted infraction of the Business Regulation Bylaw, it is the undersigned's belief that a licence suspension or cancellation is warranted.



Victor Duarte  
Licence Inspector  
City of Richmond

**RICHMOND RCMP**

**GO#1401 2009-35272**

**Related text page(s)**

**SYNOPSIS**

**BYLAW INSPECTION**

**Author : 045498 PETERS, STEPHAN**

**Related date : Wed, 28 Oct. 2009 at 04:44**

09-10-23 @ 2250hrs

Bylaw inspection at Blue Sea Health Spa at 100-3311 No 3 Rd Richmond. Two (2) violations for no light in the massage rooms and one (1) violation for masseuse not wearing pants while massage being given. Victor DUARTE (City Bylaw) advised.

Cpl PETERS 45498  
C watch NCO

**\*\* CONFIDENTIAL \*\***



RICHMOND RCMP

GO#1401 2009-35272

OCCURRENCE REPORT

BODY-RUB STUDIO INSPECTION

Author : 045498 PETERS, STEPHAN

Related date : Wed, 28 Oct. 2009 at 04:49

09-10-23 @ 22:50hrs

\* Body-Rub Studio Inspection:

Team: Cpl PETERS  
Cpl DHILLON (plainclothes)  
Cst SHIN (plainclothes)  
Cst MUSHI

On October 23rd 2009 at approximately 22:50hrs, members conducted an inspection at Blue Sea Spa located at 100-3311 No 3 Rd Richmond. Cpl DHILLON and Cst SHIN were the first members to enter the premise followed by Cpl PETERS and Cst MUSHI. Blue Sea Spa was fairly busy with approximately 10-13 male customers at the time.

Cpl PETERS quickly examined the massage rooms and confirmed that room #6, #8 and #11 were occupied by a female masseuse and a male customer with the light turned off. Furthermore, Cpl DHILLON advised Cpl PETERS that the masseuse in room #11 had no pants and a male customer was naked. Cpl DHILLON could not confirm if she was wearing underwear. When the masseuse saw Cpl DHILLON thru the window, she quickly put her pants on (black pants, black shirt). The Asian female masseuse was identified with BC drivers licence # [REDACTED] as [REDACTED] (dob [REDACTED]) is registered with the City and is currently employed by Blue Sea Spa.

room #8 was occupied by [REDACTED] (dob [REDACTED]) who produced a valid BC drivers licence # [REDACTED] with matching photo. [REDACTED] is registered with the City and is currently employed by Blue Sea Spa.

room #6 was occupied by [REDACTED] (dob [REDACTED]) who produced a valid BC drivers licence # [REDACTED] with matching photo. [REDACTED] is registered with the City and is currently employed by Blue Sea Spa.

No other infraction observed. Manager was advised that the City would be contacted via an inspection report. No MTI issued by members

Cpl PETERS 45498  
C watch NCO

\*\* CONFIDENTIAL \*\*

09 10 23

FRIDAY

PL: A17

PORT: P14374

2100 BRIEFING

[REDACTED]

[REDACTED]

2230

[REDACTED]

2235

[REDACTED]

2250 NO E - 6 NO LIGHT  
NO H NO PANTS

[REDACTED] DoB

[REDACTED] DL

[REDACTED] AND

Relationships

(No 8) [REDACTED]

[REDACTED] DoB

[REDACTED] DL

[REDACTED] RS

(No 6) [REDACTED]

[REDACTED] DoB

[REDACTED] DL

[REDACTED] DR

2325

[REDACTED]

0100

0040

10

al)

67

**RCMP-GRC**  
 Cpl. Stephan (J.J.) PETERS  
 Richmond City Detachment

6900 Minoru Boulevard  
 Richmond, B.C. V6Y 1Y3  
 Telephone: 604-278-1212  
 Facsimile: 604-278-6773

Royal Canadian Mounted Police / Gendarmerie royale du Canada

File No.: \_\_\_\_\_  
 Voicemail: 2505

Canada

City of Richmond

Ref # 02202936 M 21839

Community Charter

MUNICIPAL TICKET INFORMATION

ISSUED TO: [Redacted] - Receptionist

SUBNAME OR CORPORATE NAME BLUE SEA HEALTH SPA	<input type="checkbox"/> YOUNG PERSON
GIVEN NAMES (OR CORPORATE NAME CONTINUED)	

THE BYLAW ENFORCEMENT OFFICER SAYS THAT HE OR SHE HAS REASONABLE AND PROBABLE GROUNDS TO BELIEVE, AND DOES BELIEVE, THAT THE ABOVE NAMED

ON OR ABOUT 09/10/13 AT THE TIME OF 22:50

AT OR NEAR 3311 NO 3RD - UNIT #100, CITY OF RICHMOND, PROVINCE OF BRITISH COLUMBIA

DID COMMIT THE OFFENCE INDICATED, UNDER THE FOLLOWING BYLAW

BYLAW NAME	DESCRIPTION OF OFFENCE	SECTION	FINE AMOUNT
	PERMITTING THE WEARING OF POWER GARMENTS NOT COVERING THE BODY BETWEEN THE NECK & THE TOP OF THE KNEE	7.3.1(c)	\$100.00
[Redacted]			

IF THE FINE IS NOT PAID OR THE ALLEGATION CONTAINED IN THIS TICKET IS NOT DISPUTED (SEE REVERSE) WITHIN 14 DAYS, THIS TICKET WILL BE TREATED AS NOT DISPUTED, YOU MAY BE CONVICTED IN YOUR ABSENCE AND WITHOUT A HEARING AND, UPON CONVICTION, THE FINE AMOUNT WILL BE IMPOSED FOR THE OFFENCE CHARGED.

COURT COPY

21839

\*\*\*\* Duplicate Receipt \*\*\*\*

City Hall  
6911 No. 3 Road  
Richmond, BC  
604-276-4000  
GST# R121454003

Front of House  
#17-0061877

Cashier: 339  
Nov 12 2009 - 12:20PM

1@ Fines - MTI Business Lic \$100.00  
m21839

SubTotal: \$100.00  
GST: \$0.00  
PST: \$0.00

Total Due: \$100.00

Payment: Cash \$100.00



YOUNG PERSON

ON GROUNDS TO BELIEVE

CITY OF RICHMOND  
OF BRITISH COLUMBIA

FINE  
AMOUNT

\$ 100.00

IF THE FINES DO NOT BELIEVE THE OFFENSE NOTED IN THIS TICKET IS NOT DISPUTED, USE REVERSE SIDE WITHIN 14 DAYS. THIS TICKET WILL BE TREATED AS NOT DISPUTED. YOU MAY BE CONVICTED IN YOUR ABSENCE AND YOUR FINE WILL BE PAID AND UPON CONVICTION THE FINE AMOUNT WILL BE IMPOSED FOR THE OFFENSE CHARGED.

ALLEGED OFFENDER'S COPY



Attachment 4

Page 1

RICHMOND RCMP

085777 LEE, SIMON

Case: GO 1401 2009-36662

BYLAW-OTHER  
/FRESH SMELL OF CIGARETTES  
SYNOPSIS

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2009-Nov-07, 2150hrs:

Police members conducted a license premise check at Blue Sea Health Spa at 100-3311 No.3 Rd and noted fresh cigarette smells within. An employee replied that he believed that the cigarettes butts located were from the cleaners. Police members did not see cleaners inside at the time and noted the following in the tub area.

- 1) one fresh cigarette butt inside in garbage can (near the top);
- 2) one cigarette butt on the tiles by the tub;
- 3) one lit cigarette found underneath a table in the area;
- 4) fresh cigarette butts inside a styrofoam cup filled with liquid.

Store employees were advised to keep their customers from smoking inside. This report will be made available to city business inspectors. File concluded.

Cst.B.LEUNG, Reg# 55936, C Watch, Richmond RCMP

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Author:LEUNG, BILLY  
Related date:Sat, 2009-Nov-07 2217

Signatures: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Wed.) 2009-Nov-25

City of  
Richmond  
Community Charter

Ref  
02202936

M 21959

MUNICIPAL TICKET INFORMATION  
ISSUED TO:

DEQUN YANG - Owner

SURNAME OR CORPORATE NAME BLUE SEA HEALTH SPA	<input type="checkbox"/> YOUNG PERSON
GIVEN NAMES (OR CORPORATE NAME CONTINUED)	

THE BYLAW ENFORCEMENT OFFICER SAYS THAT HE OR SHE HAS REASONABLE AND PROBABLE GROUNDS TO BELIEVE, AND DOES BELIEVE, THAT THE ABOVE NAMED

ON OR ABOUT 

DATE OF OFFENCE
09/11/07

 AT THE TIME OF 

(24hr Clock)
21:50

AT OR NEAR 3311 NO 300 - UNIT #100, CITY OF RICHMOND, PROVINCE OF BRITISH COLUMBIA

DID COMMIT THE OFFENCE INDICATED, UNDER THE FOLLOWING BYLAW:  
PUBLIC HEALTH PROSECUTOR BYLAW 6981

DESCRIPTION OF OFFENCE	SECTION	FINE AMOUNT
PERMITTING OR ALLOWING SMOKING	6.1.2	\$1,000.00

IF THE FINE IS NOT PAID OR THE ALLEGATION CONTAINED IN THIS TICKET IS NOT DISPUTED (SEE REVERSE) WITHIN 14 DAYS THIS TICKET WILL BE TREATED AS NOT DISPUTED, YOU MAY BE CONVICTED IN YOUR ABSENCE AND WITHOUT A HEARING AND, UPON CONVICTION, THE FINE AMOUNT WILL BE IMPOSED FOR THE OFFENCE CHARGED.

COURT COPY

M 21959

\*\*\*\* Duplicate Receipt \*\*\*\*

City Hall  
6911 No. 3 Road  
Richmond, BC  
604-276-4000  
GST# R121454003

Permit Counter #49-0040788      Cashier: 527  
Dec 8 2009 - 11:55AM

10 Fines - MTI Business Lic \$1,000.00  
Municipal Tkt# M21959  
100-3311 No 3 RD  
Bylaw 3989 Sec 6.1.2  
Blue Sean Health Spa

SubTotal: \$1,000.00  
GST: \$0.00  
PST: \$0.00

Total Due: \$1,000.00

Payment: Cheque \$1,000.00



NO PROBABLE GROUNDS TO BELIEVE

THIS IS NOT A RICHMOND MUNICIPAL COURT ORDER

CO. BY LAW 6981

BEFORE THE COURT  
FINE AMOUNT  
\$1,000.00

DATE PAID



IF THE FINE IS NOT PAID WITHIN 14 DAYS OF THE DATE OF THIS TICKET, IT IS NOT DISPUTED (SEE REVERSE) WITHIN 14 DAYS OF THE DATE OF THIS TICKET, YOU MAY BE CONVICTED IN COURT AND YOUR NAME WILL REMAIN ON OUR RECORDS. THE FINE AMOUNT WILL BE IMPROVED TO THE NEXT CHARGEABLE AMOUNT.

ALLEGED DEFENDER'S COPY



Case: 1401 2009-40942

\CST. CHAPLIN  
OCCURRENCE REPORT2009 12 13  
1700 hours

On December 13th 2009 at approximately 1700 hours Constable LEUNG and Constable CHAPLIN conducted a premise inspection of Blue Sea Health Spa located at 3311 No 3 Road in unit 100.

Constable LEUNG walked into the back of the rear of the business (massage area) and began to check the massage rooms. Constable LEUNG checked the first room to the right in the back, and Constable CHAPLIN walked past Constable LEUNG. After approximately two seconds, Constable CHAPLIN heard Constable LEUNG state "What's going on in here?" Constable CHAPLIN turned around and looked into the partially open door and window in the door.

Constable CHAPLIN observed an Asian female, now known as [REDACTED] astride an Asian male, now known as [REDACTED]. They were on the floor of the room, and not utilizing the masseuse table.

The female was wearing a white blouse and a skirt. The skirt was raised approximately mid thighs, and there were no leg coverings. [REDACTED] was astride [REDACTED] in the mid section area. As Constable CHAPLIN observed this [REDACTED] stood up and stepped to the side of [REDACTED].

[REDACTED] was completely naked lying prone on the floor. There was a towel underneath [REDACTED].

Constable CHAPLIN, after [REDACTED] donned a robe, obtained [REDACTED] identification and inquired to what was occurring in the room. Constable CHAPLIN had difficulty talking with [REDACTED] as [REDACTED] spoke only in Mandarin.

Constable CHAPLIN inquired as to the amount [REDACTED] paid for "boom boom" and [REDACTED] stated "No boom boom" and motioned that there was a massage only. Constable CHAPLIN informed that the position of the bodies, lack of clothing, and positioning of the masseuse on [REDACTED] indicated there was more than a massage. [REDACTED] reiterated that there was no sex.

Constable CHAPLIN after the statement with [REDACTED] reobserved [REDACTED], who was wearing the same clothing, except there was a black undergarments that covered [REDACTED] thighs.

This concludes Constable CHAPLIN's involvement in the incident.

Constable CHAPLIN 54394/154055 Richmond Royal Canadian Mounted Police

Case: 1401 2009-40942

\DETAILS OF EVENT  
OCCURRENCE REPORT

2009-Dec-13, 1700hrs:

## PREMISE CHECK

Cst.LEUNG and Cst.CHAPLIN conducted a routine business check at Blue Sea Health Spa at unit 100-3311.No.3 Rd. During the check, Cst.LEUNG observed a female masseuse sitting on a male patron's pelvic area on the floor. She wore a very short skirt and wore no undergarment, he male's penis was clearly exposed underneath the female after she got up. From Cst.LEUNG's observation, it appeared that the two were having sex. However Cst.LEUNG's view was partially obstructed by the door window and that the female's clothing . They did appeared very nervous and embarrassed upon police entry.

## CONVERSATION WITH FEMALE MASSEUSE AND PATRON

The female and male were later identified as employee [REDACTED] and [REDACTED] via valid BCID. [REDACTED] spoke no English but he motioned he was only he was a customer here for massages only. Cst.LEUNG spoke with [REDACTED] and with her limited English, [REDACTED] stated:

- that she was giving [REDACTED] a massage on the floor;
- that she was not having sex with [REDACTED];
- that she was not, paid to have sex with [REDACTED], but to give massage only;
- that no persons offered to give money for sex nor did she offer the same;
- that the massage rate of Blue Sea was charged- \$60/1hr or \$90/2hrs;

However, [REDACTED] could not explained why she had no undergarment on during the massage and why the massage could not take place on the designated massage table that was present, and being instead occurred on the floor.

## CONVERSATION WITH ONSITE MANAGER

Blue Sea Spa has been warned on previous checks by Cst.LEUNG about apparent sexual activities between its workers and patrons. Cst.LEUNG spoke with the Manager De Qun YANG who denied having any knowledge of the above. YANG stated he does not condone any illegal activites at his business and stated [REDACTED] would be fired for her actions (without any prompts by police). Cst.LEUNG advised YANG to closely monitor his workers and that the richmond City Hall will be advised of this incident.

## LACK OF SOLICITATION EVIDENCE

At this point, charge of "operating a bawdy house" not considered due the lack of evidence:

- no recording equipment of any kind inside the premise;
- no available witnesses and the lack of complainants;
- activities in 8 other massage rooms within the premise were normal;
- no other bylaw infractions located;

Case: 1401 2009-40942

\DETAILS OF EVENT  
OCCURRENCE REPORT

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CPIC/PRIME checks were negative for all parties. Bylaw ticket issued to [REDACTED] for "improper attire" (ticket #M22560). Notes, copy of ticket, and occurrence report sent forth to city inspector should they consider further bylaw actions. File concluded.

Cst.B.LEUNG, Reg# 55936, C Watch, Richmond RCMP at YVR

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Author:LEUNG, BILLY  
Related date:Tue, 2009-Dec-15 0223

Signatures: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Wed.) 2010-Feb-10

# RCMP GRC

**Cst. B. LEUNG**

Richmond City Detachment

6900 Minoru Boulevard  
Richmond, B.C. V6Y 1Y3  
Telephone: 604-278-1212  
Facsimile: 604-278-6773  
Email: billy.leung@rcmp-grc.gc.ca

File No.: \_\_\_\_\_  
Voicemail: 2357

Royal Canadian Mounted Police  
Gendarmerie royale du Canada

Canada

170

[REDACTED]

BLID

SIN

[REDACTED]

Richmond

604

[REDACTED]

170

YANG, De Qun

DL

#

→ M 22560

- need to get dad's  
name

- demand info to  
CPG

- ask vic for details

PL

31

City of  
Richmond

M 22560

Community Charter

MUNICIPAL TICKET INFORMATION

ISSUED TO:

SURNAME OR CORPORATE NAME	<input type="checkbox"/> YOUNG PERSON
GIVEN NAME (OR CORPORATE NAME CONTINUED)	

THE BYLAW ENFORCEMENT OFFICER SAYS THAT HE OR SHE HAS REASONABLE AND PROBABLE GROUNDS TO BELIEVE, AND DOES BELIEVE, THAT THE ABOVE NAMED

ON OR ABOUT DATE OF OFFENCE 2009.12.13 AT THE TIME OF (24hr Clock) 17:07

AT OR NEAR 100-3311 No 3 Rd Richmond  
CITY OF RICHMOND, PROVINCE OF BRITISH COLUMBIA

DID COMMIT THE OFFENCE INDICATED UNDER THE FOLLOWING BYLAW  
BYLAW NAME Business Regulation Bylaw #7538

DESCRIPTION OF OFFENCE	SECTION	FINE AMOUNT
Permitting the wearing of outer garment not covering the body between neck and knees	7.3.1(e)	100

IF THE FINE IS NOT PAID OR THE ALLEGATION CONTAINED IN THIS TICKET IS NOT DISPUTED (SEE REVERSE) WITHIN 14 DAYS, THIS TICKET WILL BE TREATED AS NOT DISPUTED, YOU MAY BE CONVICTED IN YOUR ABSENCE AND WITHOUT A HEARING AND, UPON CONVICTION, THE FINE AMOUNT WILL BE IMPOSED FOR THE OFFENCE CHARGED.

COURT COPY



22560

\*\*\*\* Duplicate Receipt \*\*\*\*

City Hall  
6911 No. 3 Road  
Richmond, BC  
604-276-4000  
GST# R121454003

Permit Counter:  
#49-004095B

Cashier: 339  
Dec 15 2009 - 3:24PM

1@ Fines - MTI Business Lic \$100.00  
m22560

SubTotal: \$100.00  
GST: \$0.00  
PST: \$0.00

Total Due: \$100.00

Payment: Cash \$100.00



YOUNG PERSON

BE GROUND TO BELIEVE

2009

22560

SECTION: AMOUNT:

THE FINE IS NOT VALID UNLESS YOU RECEIVE THE RECEIPT AND SIGN IT. IF YOU DO NOT SIGN IT, THE FINE WILL BE TREATED AS NOT DISBURSED. YOU MAY BE CONSIDERED IN DEFAULT OF COURT ORDER AND YOUR CONVICTION RECORD WILL BE AFFECTED FOR THE FINE CHARGED.

ALLEGED OFFENDER'S COPY

Appendix 2

Wallace M. Wong & Co.  
BARRISTERS & SOLICITORS

WALLACE M. WONG

File: WW-C570

ASSOCIATE: BETTY P. LIN

February 23, 2010

City of Richmond  
Business and Financial Services Department  
Business Licences  
6911 No.3 Road  
Richmond, B.C.  
V6Y 2C1

By Fax: (604) 276-4157

Attn: W. Glenn McLaughlin, Chief Licence Inspector & V. Duarte, Licence Inspector

Dear Sirs:

Re: Licence Review of Hanma (Canada) Investments Ltd. dba Blue Sea Spa  
Hearing date: February 10, 2010  
Your file: 02202936

Thank you for the opportunity to make a written submission on behalf of our client Blue Sea Spa.

We understand that the licence review was occasioned by three bylaw violations which occurred October 23, November 12, and December 13, 2009, respectively, and especially by the most recent one. The violations were observed by police officers during the course of routine checks. None of the violations gave rise to a complaint by a member of the public.

The first and third violations were of s. 7.3.1 (c) of Business Regulation Bylaw No. 7538, "permitting the wearing of outer garments not covering the body between the neck and the top of the knee". The second violation was of s. 6.1.2 of Health Protection Bylaw No. 6989, "permitting smoking". The first and second violations resulted in the issuance of Municipal Ticket Informations against our client, which promptly paid the fines of \$100 and \$1000, respectively.

The third violation was associated with the conclusion of a police officer that a former employee of our client [REDACTED] had engaged in a act "not covered under any licence category" on our client's premises. The Occurrence Report prepared by Cst. Leung on December 13, 2009 indicates that he observed [REDACTED] sitting on the pelvic area of a man [REDACTED], who was on the floor. When [REDACTED] got up, Cst. Leung observed [REDACTED] penis. Cst. Leung stated that it appeared that [REDACTED] and [REDACTED] were having sex when he first saw them. However, he did not actually see them engage in sex. Cst. Leung explained that his view was partially obstructed by the door window and by [REDACTED] clothing. Both [REDACTED] and [REDACTED] denied that they had engaged in sexual conduct. It will be noted that there is no reference in his contemporaneous hand-written notes to what Cst. Leung conjectured to have been a sex act.

[REDACTED] denied to Cst. Leung that she had had sex with [REDACTED]. She later explained in Mandarin that

SUITE 100 - 8120 GRANVILLE AVENUE, RICHMOND, B.C., CANADA, V6Y 1P3

TELEPHONE: (604) 278-8086 FACSIMILE: (604) 278-6986

CNCL - 22  
(Special)



February 23, 2010 Business and Financial Services Department Page 2

she was giving [REDACTED] a Thai massage, a type of massage which can more easily be given to a man of [REDACTED] size on the floor than on the massage table. She also stated that she was not sitting on [REDACTED] pelvic area, but was rather squatting over him in order to massage him more effectively. She further stated that she had been wearing underwear (black shorts and a black T-shirt) during the whole course of her interaction with [REDACTED]. Because [REDACTED] speaks very little English, she was not able to provide more than a denial concerning their sexual allegations to the police officers. Cst. Leung suggested to Mr. Yang, the manager of the Blue Sea Spa, that he dismiss [REDACTED] and she agreed to quit.

According to the report of Cst. Leung, no consideration was given to charging our client with "operating a bawdy house" because of the lack of evidence, more specifically the lack of the following:

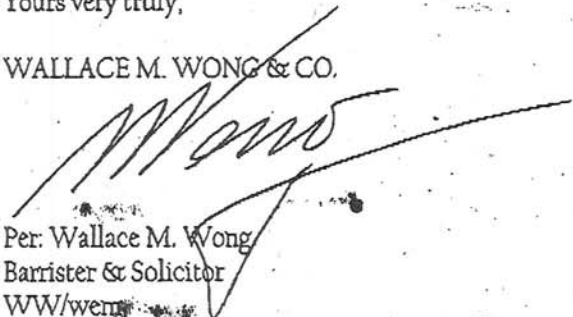
- recording equipment within the premises;
- witnesses, or complainants;
- abnormal activities in any other massage room in the premises;
- any other bylaw infraction.

In fact the Municipal Ticket Information was laid against [REDACTED] not against our client. (It is our understanding that [REDACTED] has paid the fine, without admitting any liability, and only to avoid the inconvenience of contesting the ticket.) Accordingly, our client respectfully submits that the third violation should be entirely excluded from consideration because it did not commit, and was not, in fact, charged with any violation.

Our client's position is that it did not knowingly violate any law, though it acknowledges that conduct inconsistent with Bylaws No. 7538 and 6989 occurred on its premises, and undertakes to increase its vigilance to prevent proscribed conduct by others on its premises. Our client states that the masseuses it employs are selected for their skill at massage, as opposed to their physical attractiveness. Accordingly, they are in the 45 to 50 age range, and typically married with children. Our client respectfully submits that the fines that it has paid in this matter are the appropriate sanction, and that the cancellation or suspension of its licence would be excessive. Mr. Yang states that he had not been aware that the violations for which the Blue Sea Spa has been ticketed could potentially lead to the suspension or loss of its licence.

Yours very truly,

WALLACE M. WONG & CO.

  
Per: Wallace M. Wong  
Barrister & Solicitor  
WW/wem

B.I. 03-01-2010