

# **Report to Council**

To:

Richmond City Council

Date:

January 14, 2011

From:

W. Glenn McLaughlin

File:

12-8275-20-AMANDA

Chief Licence Inspector & Risk Manager

#/2011-Vol 01

Re:

Business Licence Suspension - Sun & Body Glo Services Inc.,

## **Staff Recommendation**

That the Business Licence of Sun and Body Glo Services Inc. doing business as Temptations Studio, operating from premises located at #201 – 3871 No. 3 Road, Richmond BC be suspended for a period of 30 consecutive days on dates determined by Council.

W. Glenn MoLaughlin

Chief Licence Inspector & Risk Manager

(604-276-4136)

Att. 2

FOR ORIGINATING DEPARTMENT USE ONLY							
ROUTED TO:		CONCURRENCE	CONCURRENCE OF GENERAL MANAGER				
Law RCMP		Y EV N D Y EV N D	Ame				
REVIEWED BY TAG	YES YES	NO	REVIEWED BY CAO				

## **Staff Report**

## Origin

The City's Business Licensing Division administers a licensing program for approximately 13,000 licence holders and regulates the activities of approximately 24 business types including Body Rub Studios. This report deals with a Business Regulation Bylaw infraction noted during a RCMP routine inspection conducted at Sun and Body Glo Services Inc., doing business as Temptations Studio, operating from premises located at Unit #201 – 3871 No. 3 Road, Richmond BC.

Temptations Studio is licensed as an Adult Oriented Use (AO) category business and must adhere to the Body Painting/Body Rub Studio Regulation, Part Seven of Business Regulation Bylaw No. 7538.

# **Analysis**

At or about 11:15 p.m., on September 25, 2010 during a routine inspection of Temptations Studio members of the Richmond RCMP observed a female later identified as an employee of the establishment naked in one of the rooms in the premises.

This activity is a violation of Business Regulation Bylaw No 7538, section 7.3.1 (c), "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 a 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;"

Temptations Studio was issued Municipal Ticket Information (MTI) BL 05781 for the violation. On October 26, 2010 a Notice of Dispute to this violation was filed with the City of Richmond. At the writing of this report the matter has yet to be heard by the court.

On January 6, 2011 the Chief Licence Inspector conducted a Business Licence review with the Licensee at which time presentations were provided from the City Licence Inspector and members of Richmond RCMP, (Attachment 1), attesting to the naked employee found in the premises.

In response to the infraction, the Licensee referred to the employment contract they have with their employees which clearly requires employee adherence to the City's Bylaw Regulations. A copy of their response and employment contract is included as Attachment 2. Licensee management also assert they try their best to have employees abide by the regulations through constant monitoring of the rooms, monitoring the clients and by listening to their employees and the clients.

Notwithstanding the licensee's efforts to "always follow the rules", the opinion of the Chief Licence Inspector is that the infraction did take place. Staff notes that the licensee did not challenge the matter of a naked employee in the premises at the Licence Review meeting.

In addition to the issuing of a fine via a Municipal Ticket, serious bylaw contraventions have been brought before Council to consider further business licence discipline. On serious infractions of this nature, staff have proposed a progressive approach of licence suspensions of

up to 30 or 60 days for the first and second same noted infractions respectively, followed with a 90 day or licence cancellation for the third infraction.

This is the second infraction of this nature by this establishment however, the first infraction occurred under previous management. As such, it is the opinion of the Chief Licence Inspector that this infraction can be disciplined as a first offence.

The Community Charter guides the City's suspension or cancellation of a Business Licence which under Division 9, Section 60 (3) states:

"before suspending or cancelling a Business Licence, the Council must give the licence holder *notice of the proposed action* and an opportunity to be heard."

The Licensee is typically advised of the proposed action three weeks prior to the matter being considered by Council.

The City has consistently considered licence discipline for infractions of this nature and notwithstanding the licensee's efforts to control the activities on their premises, they are personally issued the business licence and responsible for adhering to the requirements associated to obtaining that licence.

Having reviewed all the information presented by the Licence Inspector, the RCMP and the Licensee, it is the Chief Licence Inspector's recommendation that the Business Licence of this establishment be suspended for a period of up to 30 days following Councils consideration of this report.

# **Financial Impact**

There is no financial impact to the City associated to this report.

#### Conclusion

Based on a progressive disciplinary approach Council may want to consider a licence suspension of up to 30 days for this bylaw offence.

W. Glenn McLaughlin

Chief Licence Inspector & Risk Manager

(604-276-4136)

WGM:wgm

Attachment 1

# Licence Review Meeting

**INFORMATION:** 

Business: Sun & Body Glo Services Inc dba: Temptations Studio Address: Unit # 201-3871 No. 3 Road, Richmond, BC V6X 2B8

Ref. File #: 871194

Hearing Date: Thursday, January 06, 2011 Time: 10:00 a.m.

Location: Room M.2.001, Richmond City Hall, 6911 No. 3 Road, Richmond, BC

## History:

Sun & Body Glo Services Inc, doing business as, and here in after referred to as **Temptations** Studio, operates at Unit #201-3871 No. 3 Road, in the City of Richmond. **Temptations Studio** has operated at this location since 1987. **Temptations Studio** is licensed as a Body-Rub Studio under the City of Richmond Adult Orientated Uses category and as such, is subject to ongoing routine inspections, conducted by Richmond RCMP Police and City of Richmond Inspectors.

On April 20, 2009, G. ALEXANDROV acquired ownership of this business and has operated **Temptations Studio** to date.

Temptations Studio has a previous suspension by City Council from October 02, 2009 through to October 31, 2009 for a period of 30 days. This suspension was due to violations which occurred on January 31, 2009, under a previous ownership, prior to the ownership change of April 20, 2009.

### Current Information:

On September 25, 2010, at approximately 11:15 p.m. Cst. HOWARD and Cst. UPSHALL in plain clothes attended Temptations Studio with Cst. STEWART and Cst. PICKERING in full duty uniform, to conduct routine inspections for compliance of Body Rub Studio Regulations.

Cst. HOWARD and Cst. UPSHALL inspected the premises and upon inspection of Room # 2 (Blue Room), observed a male and a female occupants, naked and conducting an activity which is not endorsed under any business licence.

The Business Regulation Bylaw No. 7538, section 7.3.1(c), states that "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 a 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;"

**Temptations Studio** was found to be in violation of section 7.3.1(c) for the violations noted on September 25, 2010. Licence Inspector for the City of Richmond, Victor DUARTE issued Municipal Ticket Information (MTI) BL 05781on October 22, 2010 to Temptations Studio. The Municipal Ticket has been disputed and currently proceeding through Court process.

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 Licence Bylaw, Business Regulation Bylaw, 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 business licence. In careful consideration of the severity and noted infraction of the Business Regulation Bylaw and the Business Licence Bylaw, it is the undersigned's belief that a licence suspension or cancellation is warranted.

Licence Inspector

City of Richmond

RICHMOND RCMP

Page 1

Case:

1401 2010-33898

OCCURENCE REPORT

#### 2010-SEPT-26

On September 25th, 2010, Cst. HOWARD and Cst. UPSHALL were working a scheduled overtime shift to conduct checks on licenced Body-Rub studios in Richmond. The shift was scheduled from 21:00 hours through 03:00 hours. Cst. HOWARD and Cst. UPSHALL were working in plain clothes capacity. Cst. UPSHALL. Cst. STEWART and Cst. PICKERING were also in attendance in full duty uniform.

At approximately 23:15 hours, Cst. HOWARD and Cst. UPSHALL attended TEMPTATIONS STUDIO, located at Unit 201-3871 No. 3 Road. Both Cst. HOWARD and Cst. UPSHALL were buzzed into the establishment through the front door and obtained access to the interior of the business, however could not proceed any further due to another locked door.

A female, lated identified as Gulnara ALEXANDROV, unlocked the door to allow Cst. HOWARD and Cst. UPSHALL access to the interior of the business.

Cst. HOWARD and Cst. UPSHALL immediately identified themselves as police officers by presenting their police badges and advised ALEXANDROV that they were conducting an inspection of the premise. ALEXANDROV was co-operative and advised she would provide documentation for the masseuses currently working.

As Cst. HOWARD was speaking with ALEXANDROV, Cst. UPSHALL walked up to Room #2 (Blue Room). The door to the room was closed and an exterior curtain was covering the window. Cst. UPSHALL drew back the curtain and noted the room was well lit by a blue lamp in the far corner and a regular table lamp near the door. The bed was located in the middle of the room with sparse furniture.

A female, later identified as, was completely nude near the foot of the bed performing felacio on a nude male, later identified as, was completely nude minus a condom laying on his back with his feet facing the door. Was positioned over on her knees with her right side facing the door.

Cst. UPSHALL advised Cst. HOWARD that "there's a blow job going on in here" and proceeded down the hallway to clear the rest of the business.

Cst. HOWARD then opened the door of Room #2 and observed and and

was hunched over on her knees on the left side of the bed, while the male was laying on his back in the middle of the bed. Both the male were completely nude.

Cst. HOWARD did not observe performing felacio as indicated by Cst.

RICHMOND RCMP

Page 2

Case:

1401 2010-33898

# OCCURENCE REPORT

UPSHALL, but she was returning from a position that would be consistent with Cst. UPSHALL's observations when Cst. HOWARD opened the door. It should be noted that the door to Room #2 opens inward from the exterior, obscuring Cst. HOWARD's view of the interior until the door is fully opened. Cst. HOWARD did observed that the had an erect penis as he lay with his back on the bed.

ALEXANDROV then entered the room and immediately directed to put clothing on, providing her a bath robe to cover herself. Cst. HOWARD then directed and to put clothing on and directed ALEXANDROV to exit the room. Cst. HOWARD closed the door halfway to provide privacy to dress, while keeping a visual on the common cst. HOWARD noted that was completely nude.

Cst. HOWARD observed that soldier's clothing was folded on a chair located in the corner of the room. Soldier's clothing included his blue jeans, underwear, black socks, black long sleve sweater, black jacket and black casual running shoes.

Cst. HOWARD overheard state to Don't worry, you will be ok" as she was getting dressed.

Once clothed, Cst. HOWARD directed to exited Room #2 and speak with Cst. UPSHALL.

Cst. UPSHALL spoke with the following:

was asked what was going on inside the room to which she replied "nothing". Cst. UPSHALL advised that he observed what was going on in the room and it was in her best interest to be honest.

asked "am I being charged? Will there be some sort of record about this?". Cst. UPSHALL explained to that police make reports for all their interactions with members of the public but she is not being charged criminally.

continued to be evasive and denied that anything was going on in the room. However, eventually admitted "yes we were naked" but refused to outright admit that she was performing oral sex, instead saying "it is what it is".

saying "it is what it is".

- Provided a valid BC driver's licence number and provided her address as shown on the licence. Stated, "you're not gonna mail anything to the house are you? I don't actually live there, my parents do...I just use it as a mailing address". begged for Cst. UPSHALL not to advise her parents of Cst. UPSHALL's observations.

was advised that because she's an adult the police would not be contacting anyone. expressed relief and advised that she didn't want the word getting out about what happened.

Page 3

Case:

1401 2010-33898

OCCURENCE REPORT OCCURRENCE REPORT

Cst. HOWARD spoke with who advised Cst. HOWARD, in part the following:

- That he was from Vancouver and attended TEMPTATIONS to obtain a massage.
- That his intension was "to be touched" by a women by way of a massage.
- That he paid \$160 cash for a massage.
- Nothing was indicated or implied that anything sexual would occur.
- That as he was receiving a massage, took off all of his clothing.
- That took off her clothing and was massaging him in the nude.
- believed this to be unusual, stating that he heard of masseuses wearing lingerie but not providing massages in the nude.
- That started massaging his privates and then began performing felacio on him.
- but that he did not ask her to stop nor was his intention to ask her to stop.
- That the felacio took place for "seconds" before police entered the
- indicated that he had never been to TEMPTATIONS in the past, and simply drove down No. 3 Rd and observed the the sign from the road.

appeared genuinely embarrassed and concerned with police attendance when speaking with Cst. HOWARD. However, it became evident that was attempting to minimize his involvement with the explanation he provided to Cst. HOWARD.

Cst. UPSHALL spoke to the manager of the establishment, Gulnara ALEXANDROV to advise that a report would be forwarded to the City of Richmond By-law inspector for their review and no action would be taken tonight.

ALEXANDROV pleaded with Cst. UPSHALL to "take it easy on the report" as 'when Vic [DUARTE] calls her in the morning that will cause her problems.' Cst. ALEXANDROV was advised that the report would contain what was observed, nothing more, nothing less.

Cst. HOWARD also spoke with a Andrew FRAZER, who identified himself as part of the 'new ownership' at TEMPTATIONS STUDIO. FRAZER informed Cst. HOWARD that he has implemented a new policy where masseuses would be fired immediately and have their pay forfeited if they were found to be providing sexual services. FRAZER stated that they purchased the business from the old owner after TEMPTATIONS business license was withdrawn by the City of Richmond. FRAZER attitude and demeanour was aggressive and arrogant. Cst. HOWARD did not give much weight to the information provided by FRAZER.

Page 4	RICHMONI	RCMP	085777 LEE	, SIMON
Case: 1401 2010-33898	OCCURENCE OCCURRENCE		,	,
Cst. HOWARD, 54051 Richmond RCMP Economic Crime Unit				
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(Thu.) 2010-Oct-07

Sun + Body Glo. INC. Attachment 2

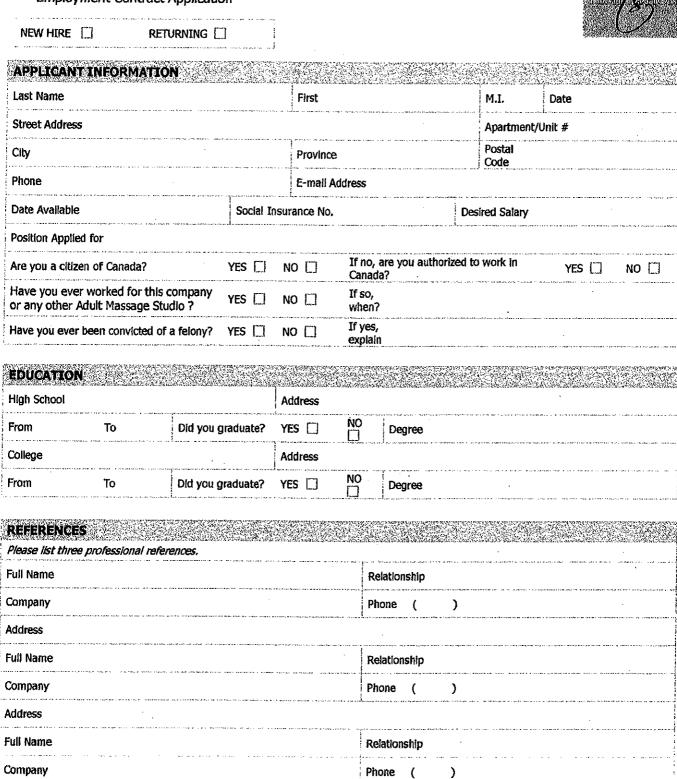
# Show cause hearing – Occurrence report errors

- As stated in the Occurrence Report set out by RCMP, The RCMP members did not inform Management that they were conducting checks, they stated that another Body rub studio in the vicinity was robbed and that they were visiting all Body Rub studios in the area to be Aware, So the RCMP clearly <u>misrepresented</u> their purpose of visit.
- The RCMP members have clearly made visible and noticeable errors in their report as for the observations, findings, people in involved, and with more inconsistencies rather than an accurate report of events that transpired on the evening of Sept 25.
- Cst. Upshall stated he observed felacio being preformed and walked away but Cst. Howard did not observe anything, contradicting Cst. Upshall's statement
- customer who stated all the facts as mentioned in the report, is not being truthful in his facts and statement, and No sworn statement was provided thus making his statement false and invalid, because as for our records, this customer is a regular client of Temptations, has visited Temptations numerous times, and is fully aware that Temptations is a MASSAGE ONLY STUDIO, and him being a regular customer of the female in question as per the report, He does know that Felacio or any other Sexual service is an act that is NOT ADVERTISED, NOT OFFERED OR AVAILABLE at any cost as per rules, regulations, and guidelines set out by management at Temptations to be in compliance with the Body Rub studio act and regulations set out by City of Richmond, and if for any reason he did ask the employee to be naked behind closed doors, the employee in question worked for another massage parlour previously that did offer nude massages and an arguable fact that it is an agreement between 2 consenting adults <u>BUT</u> a service that never IS or ever will be condoned by the management at Temptation Studio's.
- As per the Occurrence report, as stated by the RCMP members being in contact with an Andrew Frazer, There is no Andrew Frazer, past or present, ever to be involved or heard of in the Management and Operations at Temptation Studio's
- Temptation Studio Management continually monitors each and every room on a continuous basis, to make sure, that the staff and customers of Temptation Studio are in compliance with the rules and regulations set out by the city of Richmond, and at times that any employee or customer is found to be breaking any of these rules, is immediately removed from the premises or terminated from employment. The Management at Temptation Studio's continually strives to make sure every customer and staff is in accordance with the rules and regulations set forth by the city of Richmond.

# TEMPTATION STUDIO'S

## **Employment Contract Application**

Address



CNCL - 11 Special

PREVIOUSE	MPLOYMEN							
Company			Phone	(	,			
Address	Address				Supervisor			
Job Title		Starting Salary	\$		Ending Salary \$			
Responsibilities			- The state of the					
From	То	Reason for Leaving	eaving					
May we contact	May we contact your previous supervisor for a reference? YES			NO []				
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I certify that r	ny answers	are true and comple	te to the best	of my kno	owledge			
Interview may aware and For accordance or	result in m llow all the permitted ult in Imme	y release, and that di rules set forth upon r under the Rules and I diate Termination fro	uring my conto me, and NEVEI Regulations se	ract with R at any t t forth by	Tempta time Off the Cit	information in my application or tions, I must fully at all times be er such Services that are not in by of Richmond, and Failure to edios, and this Contract shall be		
Signature				Date				

# PART SEVEN: BODY-PAINTING/BODY-RUB STUDIO REGULATION

# 7.1 Operator Obligations - General

- 7.1.1 Every body-painting/body-rub studio operator must:
  - (a) provide the Licence Inspector with 24 hours' written notice of any changes in the personnel employed or engaged in such business, and the applicable provisions of the Business Licence Bylaw apply to any new persons proposed to be employed or engaged by the said body-painting/body-rub studio;
  - (b) permit such business to be open only during the following hours:

Monday, 8:00 a.m. to midnight; Tuesday, 8:00 a.m. to midnight; Wednesday, 8:00 a.m. to midnight; Thursday, 8:00 a.m. to midnight; Friday, 8:00 a.m. to 1:00 a.m. Saturday; Saturday, 8:00 a.m. to 1:00 a.m. Sunday; Sunday, 8:00 a.m. to midnight.

# 7.2 Operator Obligations - Buildings

- 7.2.1 Every room used by the **operator** of a **body-painting/body-rub studio** for a **body-rub** or similar service must:
  - (a) be free of any locking device;
  - (b) be equipped with lighting of at least 550 lux, which must remain illuminated when either:
    - (i) the door into such room is closed; or
    - (ii) such room is occupied;

and

- (c) be equipped with a window, which:
  - (i) may be translucent:
  - (ii) must remain unobstructed at all times;
  - (iii) must be visible from the reception area; and
  - (iv) has a minimum area of 1,000 sq. cm. with no side having a dimension less than 25 cm.

# 7.3 Operator Prohibitions

- 7.3.1 An operator of a body-painting/body-rub studio must not:
  - (a) employ any person in the premises unless that person is 19 years of age or over;

- (b) permit any person to be in the premises at any time unless that person is 19 years or age or over;
- (c) 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; or
- (d) (i) have been; or
  - (ii) employ any person who has been

convicted of an offence under any of Sections 210, 211, 212 or 213 of the *Criminal Code of Canada* as evidenced by a criminal records check.

# ATTENTION

Strikes apply to all the rules in RED that are NOT followed

- ) MOST IMPORTANT MAKE SURE YOU LOOK YOUR VERY BEST AND 'RESENATBLE UPON CUSTOMER ARRIVAL
- ) TREAT ALL CUSTOMERS WITH RESPECT AND DIGNITY THAT'S THE ONLY VAY A BUSINESS CAUSE SURVIVE ON RETURNING CLIENTS
- ) SHOW UP 15 MINS BEFORE YOUR SHIFT IS TO START, YOU SHOULD BE LEADY TO WORK UPON SHIFT START
- ) IF YOU ARE GOING TO BE LATE, PLEASE INFORM MANAGEMENT <u>1</u> HOUR 'RIOR TO SHIFT START
- ) PLEASE MAKE SURE ROOM IS CLEANED AND TIDY AND ALL BELONGINGS RE REMOVED FROM YOUR ROOM SO IT IS PRESENTABLE FOR THE NEXT USTOMER
- ) DOUBLE CHECK ROOM AS PER RULE # 5, MASSAGE BEDS MUST BE FITTED /ITH NEW SANITZED SHEETS AFTER EVERY APPOINTMENT, AND |ARBAGE CAN'S MUST BE EMPTIED.
- ) IF YOU ARE <u>LATE 3 TIMES</u>, YOU WILL BE <u>WRITTEN UP</u>
- ) \*\*\*\* NO GIVING OUT PERSONAL INFORMATION OR SERVICES THAT ARE OT IN COMPLIANCE WITH THE RULES AND REGULATIONS SET FORTH IN OUR CONTRACT APPLICATION \*\*\*\*\*
- \*\*\*\* NO DRUGS ,ALCHOL OR SEXUAL SERVICES PERMITTED, FAILURE TO BIDE BY THIS RULE WILL RESULT IN TERMINATION FROM TEMPTATIONS.
- 0) BEFORE YOU LEAVE FOR THE DAY, YOU MUST:
  - DO YOUR DISHES
  - CLEAN YOUR ROOMS
  - MAKE SURE ALL MASSAGE OIL BOTTLES ARE TOPPED UP.
  - PROVIDE MANAGEMENT WITH TOTAL OF DAILY APPOINTMENTS
- IF YOU ARE FOUND TO BE BREAKING ANY RULES SET FORTH, YOU WILL UTOMATICALLY BE TERMINATED FROM TEMPTATIONS, DON'T SAY YOU 'EREN'T NOTIFIED!
- ELL PHONES ARE NOT SPECIOWED IN THE ROOMS
  NO RIVING OUT PERSONAL PHONE NUMBER