### Late Agenda Item

Regular Council Agenda February 4, 2025

**Recommendation:** 

That Council amend the agenda to add the following item, received after publication of the agenda:

10.5. Cancellation of Business License #1981: Natural Massage SpaPages10.5. Cancellation of Business License #1981: Natural Massage Spa2-42Includes attachments A through E2-42

### STAFF REPORT TO COUNCIL

<b>Report Prepared By:</b>	Jake Belobaba, Director of Development Services
	Chris Gieger, Manager of Protective Services
Reviewed By:	Allison McCarrick CAO
Meeting Date:	February 4, 2025
File No:	4020-20
Re:	Cancellation of Business License # 1981: Natural Massage
	Spa

### **RECOMMENDATION:**

That Council:

- 1. For the reasons outlined in the February 4, 2025 report to Council, and subject to the license holder's right to be heard under section 60(3) of the *Community Charter*, cancel Business License #1981 issued to 'Natural Massage Spa' at 16 High Street pursuant to section 60(2) of the *Community Charter*, and
- 2. Direct staff to notify the license holder pursuant to section 60(3) of the *Community Charter*.

### **EXECUTIVE SUMMARY:**

This report recommends cancelling the Business License for 'Natural Massage Spa' ("the Business") located in the commercial unit at 16 High Street ("the Subject Property") following an investigation that determined the business was operating contrary to Town Bylaws.

### PREVIOUS COUNCIL DIRECTION:

N/A

### SUBJECT PROPERTY:

The Subject Property is the ground-floor commercial unit within the mixed-use building at 16 High Street. The building is stratified into three lots; the commercial unit and two residential units on the second floor. The residential units in the building are separate real estate entities under separate ownership and have no involvement in the activities occurring at the Subject Property.



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### INTRODUCTION/BACKGROUND:

On November 4<sup>th</sup> 2024, the Town received a business license application for the Business with the Subject Property listed as the Business's location. The business was described in the application as "Health Beauty Spa, offer Acupuncture, cupping, Massage service" (sic). The applicant's name is Rong Hu.

The license was issued on November 7, 2024. The described business was considered to be permitted as "Office" use which is a permitted use in the Downtown Commercial (C-2) zone. "Office" is defined in the Zoning Bylaw as:

"...premises used for the provision of professional, medical and dental, <u>health</u> <u>and wellness management</u>, consulting services, financial services or municipal offices, as well as the administrative functions of a permitted use." (emphasis added)."

The license was also issued on the condition that no alterations occur to the building.

In December of 2024, Bylaw Enforcement and the RCMP began receiving complaints that the Subject Property was being used for the sex trade. In Canada, the provision of sexual services for renumeration is not a contravention of the *Criminal Code*. However, other aspects of the sex trade are illegal in certain circumstances. This includes obtaining material benefit from the sexual services of others (except in certain specific situations), and advertising sexual services.

Staff also received information suggesting that building alterations had been made without building permits.

The Town has no authority to regulate the sex trade or morality. However, under the *Community Charter* and *Local Government Act*, the Town can regulate business and land use. The Town does this through its Business License Bylaw and Zoning Bylaw respectively.

Section 7.1 of the Business Licence Bylaw requires that an applicant comply with the bylaws of the Town of Ladysmith. This includes the Business Licence Bylaw itself and the Building Bylaw. Section 7.3 of the Business Licence Bylaw states that every licence issued under the Bylaw is deemed to be a personal licence granted to the licensee, to carry on the business specified in the licence from the premises specified in the licence and is not transferable to any other person.

On January 20, 2025 staff visited the subject property to investigate potential bylaw infractions. The RCMP attended with staff.

The following is a summary of the findings of the bylaw investigation:

- 1. Advertising materials entitled "Full erotic massage Ladysmith", published on "Leos List" (Attachment C) show the 16 High Street location, offer sexually suggestive services, and contain sexually suggestive imagery and wording.
- 2. Upon arrival at the Subject Property on January 20, 2025 there was only one person on the premises; a woman, who was not the license holder and who was dressed in lingerie.
- 3. A shower was installed behind the front counter of the business and a sink, a washing machine and sump pump were also installed, all without a valid building permit (see Attachment D).
- 4. Equipment, service areas, layout and lighting appeared inconsistent with those of a health or beauty spa. The location was dimly lit when staff arrived, makeshift beds were installed, there were few privacy features for, or between, the beds and shower, and massage supplies appeared to consist of two unmarked containers (contents unknown), two robes and a roll of toilet paper (see Attachment D).
- 5. There was no evidence of acupuncture or cupping treatment being provided at the premises. Acupuncture is a health service regulated by the College of Complementary Health Professionals of BC. The College's website does not list Rong Hu as a licensee.
- 6. Following the site visit, the license holder contacted the Town and indicated they had subleased the location to another person (see Attachment E), which is a contravention of section 7.3 of the Business License Bylaw.

### PROPOSAL:

Staff are recommending that Business License # 1981 be cancelled under section 60(3) of the *Community Charter*. Before Council can cancel a business license, the Town must serve notice to the license holder and provide an opportunity for the license holder to be heard. Should Council approve the recommendations in this report, staff will carry out the notification immediately and place the matter on the agenda for the February 18<sup>th</sup> Council meeting.

### ANALYSIS:

Section 60(2) of the *Community Charter* states that a business licence may be suspended or cancelled for reasonable cause.

Section 7.3 of the Licence Bylaw states that licences are personal to the Licencee, who in this case is Rong Hu, operating a business called "Natural Massage Spa". It is not an incorporated entity. Ms. Hu has stated that she has leased the premises to another individual. As licences are not transferable and Ms. Hu has leased the premises to another individual, the licence should be cancelled.

Section 7.3 of the Licence Bylaw states that a licence is deemed to be personal to the Licensee, to carry on the business specified in the Licence". The type of business applied for in the application was "Health Beauty Spa, offer Acupuncture, cupping, Massage service (sic)".

When staff inspected the premises, there was no equipment suggestive of a health or beauty spa being conducted on the premises, or suggestive of acupuncture, cupping, or massage services being provided, other than two bathrobes, a roll of toilet paper, and two bottles containing an unidentified substance. There were no massage tables present on site, and no acupuncture or cupping paraphernalia.

The advertisements for the premises are also not suggestive of a health or beauty spa.

As the use of the premises is not consistent with the use stated on the application for a business licence, the licence should be cancelled.

As stated above, there is some evidence suggesting that sexual services are being offered at the premises as part of the business, but that the provision of such services may be illegal is not the basis upon which cancellation of the licence is recommended. However, it should be noted that if this applicant or another applicant were to apply for a business licence at this premises, the licence could not be issued if the proposed use constituted the commission of a criminal offence.

Section 7.1 requires an applicant to comply with the bylaws of the Town of Ladysmith, including the Building Bylaw. The shower has been installed in the premises without a building permit and without proper ventilation. This can lead to mold growth, including mold growth in the upstairs units. Further, the sanitary sewer system of all three strata units may be interconnected and the additional plumbing fixtures may cause the sewer system to exceed its originally designed capacity. Also, the sump pump may negatively affect the venting of other fixtures; potentially causing sewer gases to bubble up through toilets in the other units. It is also unclear if the sump pump system is capable of retaining sewage for a 24-hour period as required by the BC Building Code. Lastly, the Town has no indication if the water lines serving the new fixtures were installed by a licensed plumber, meaning the waterlines may not comply with the BC Plumbing code and building occupants—including the occupants of the two residential units—could be consuming non-potable water.

As the premises have been altered in a manner that creates health and safety concerns for occupants, the license should be cancelled.

### **ALTERNATIVES:**

Council can choose to:

1. Not cancel Business License #1981.

### FINANCIAL IMPLICATIONS:

N/A

### LEGAL IMPLICATIONS:

Section 60(2) of the *Community Charter* allows the Town to cancel a business license for "reasonable cause"

### CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

Under section 60(3) of the *Community Charter*, the License Holder is entitled to notice and an opportunity to be heard by Council before the license is cancelled. Staff are recommending that this occur at the February 18, 2025 Council meeting.

### INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

Development Services and Protective Services have worked jointly on the bylaw investigation. Staff have liaised with the RCMP as and when required.

### ALIGNMENT WITH STRATEGIC PRIORITIES:

Core Infrastructure	🗆 Economy
Official Community Plan Implementation	Leadership
🗆 Waterfront Area Plan	$\boxtimes$ Not Applicable

### I approve the report and recommendations.

### Allison McCarrick, Chief Administrative Officer

### ATTACHMENTS:

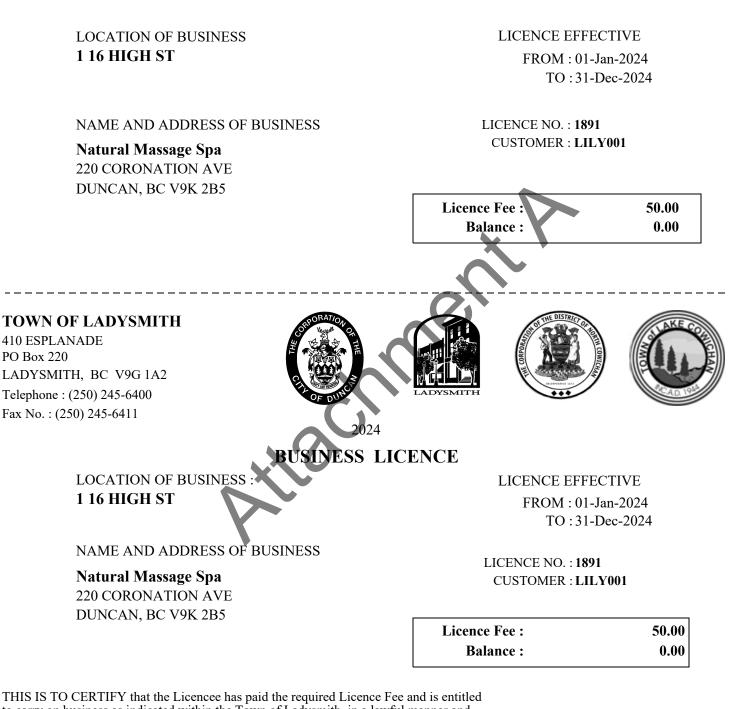
- A. Business License # 1981
- B. Business License Application
- C. Advertising Materials: Ladysmith Location (Hardcopy Only)
- D. Photos of the premises
- E. Email from License Holder

### TOWN OF LADYSMITH

410 ESPLANADE PO Box 220 LADYSMITH, BC V9G 1A2 Telephone : (250) 245-6400 Fax No. : (250) 245-6411



2024 **OFFICE COPY** 



THIS IS TO CERTIFY that the Licencee has paid the required Licence Fee and is entitled to carry on business as indicated within the Town of Ladysmith, in a lawful manner and subject to the provision of all bylaws in effect. This Licence is personal and cannot be transferred as per the Town of Ladysmith Business Licence Regulation Bylaw #1513, 2003.

THIS LICENCE MUST BE POSTED IN A CONSPICUOUS PLACE ON THE PREMISES CASH REGISTER IMPRESSION CONSTITUTES OFFICIAL LICENCE

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TOWN OF LADYSMITH Celebrace our Future. Honour our Past.	
TOWN OF LADYSMITH Celebrate our Present Embrace our Future. Honour our Past.	
LILYOOZ TOWN OF ADYSMITH	
BUSINESS LICENCE APPLICATION	
The information gathered on this form will be used to administer Municipal bylaws, is collected under the	
authority of the <i>Local Government Act</i> and the Business Licence Bylaw, and may be released to other parties upon request. If you have a business premises, this application must be made to the Municipality in which	
your premises is located. If you have any questions about this application, please contact 250.245.6414 ext	
6210 or bl@ladysmith.ca. Business Information:	
	-
MassadesUA	. ()
Street Address: 1/16 high st Ladysmith BC	
Phone: Redacted Redacted	
Type of Business: If residential, provide a complete description of what you intend to do, including specifically, where you will be conducting the business and approximately how much square footage the business will occupy.	
Healthy Beauty Spa,offer Acupuncture, cupping, Massage service.	
Commercial: Yes No Square Footage of area: 1000 If restaurant/cafe/pub: Number of seats:	
Residential:       Yes       No       Approximate Number of Employees:         Type of Licence:	
Ladysmith \$100.00 - Inter - Municipal (includes Duncan, North Cowichan and Lake Cowichan) (\$50.00 after July 1)	
Inter-Community (see below) Additional \$170.00	
I/We hereby make application for an Inter-Community business licence in accordance with "Town of Ladysmith Inter-	
Community Business Licence Bylaw 2013, No. 1839". I/We undertake to comply with the Bylaws of the Town of Ladysmith	
and other municipalities now in force or which may hereafter come into force. I also understand, payment of the Business Licence fee in advance does not guarantee approval of the licence. Note: Licence fees apply to a calendar year January 1st to	
December 31st and are not refundable.	
Owner/Manager Contact Information:	
Name (Print): Rong Hu	
Address: Redacted Postal Code: V9L2T	
l agree that I will comply with all applicable bylaws, statutes and regulations relating to this application.	
Signature:Redacted_Date: Nove 157, 2024	
250.245.6400 / info@ladysmith.ca / www.ladysmith.ca 410 Esplanade MAIL PO Box 220, Ladysmith, BC V9G 1A2 GETCONNECTED 🕜 🎯 🕜 🔞 🕻 🕼 🖓 🖗	
LADYSMITH	
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### OFFICE USE ONLY

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Planning Department
What is the current zoning of the place of business? $C_2$ - Downtown COMMUCIAL
Is the business a permitted use under the zoning bylaws? Ves No
Comments: · Permitted use under 'Office' definition for 'health and wellness' · Parting oh
Date (YY/MM/DD): 24/11/07 Signature of Planner
Building Department
Does the building meet requirements for this type of business? Yes No
Do you recommend inspection by the Public Health Inspector?
Comments: No Alterations existing use
Date (YY/MM/DD): 2024.11.07 · Signature of Building Inspector:
Public Health Inspector Yes No
RCMP Yes No

The personal information on this form is collected under the general authority of the Community Charter and Freedom of Information & Protection of Privacy Act (FOIPPA) and is protected in accordance with FOIPPA. Personal information will only be used by authorized staff to fulfill the purpose for which it was originally collected or for a use consistent with that purpose. If you have any questions about the use and collection of this information, contact the Corporate Officer at 250.245.6417 or foi@ladvsmith.ca.

#### RECEIPT RECORD



visit gov.bc.ca/homeownergrant



RepOrt this Ad

# Full erotic massage Ladysmith!

New opened licened masseuse offer Combo Thai massage and soft relaxation massage located 1-16 High st Ladysmith

Open 9am to 11pm front door( right side ) or back entrance (Text before coming in back entrance) available ,walk ins very welcome.

MASSAGE RATES

**Christmas special** 

30min \$60,45min \$80,60min \$100

TEXT FOR YOUR BOOKING

SERIOUS PEOPLE ONLY

No blocked phone calls please.

More service please text by Redacted

Change New masseuse per month

No rush,Whole body,Friendly.Private treat will make you dream to come for more 😘

Come and unwind with my unrushed full body sensual and relaxation massage.



Report this Ad

# Relaxation and prostate massage Vancouver Island!

New opened licened masseuse offer Combo Thai massage and soft relaxation massage located 1-16 High st Ladysmith

Open 9am to 11pm front door( right side ) or back entrance (Text before coming in back entrance) available, walk ins very welcome.

MASSAGE RATES

Christmas special

30min \$60,45min \$80,60min \$100

TEXT FOR YOUR BOOKING

SERIOUS PEOPLE ONLY

No blocked phone calls please.

More service please text by

No rush,Whole body,Friendly.Private treatment will make you dream to come for more

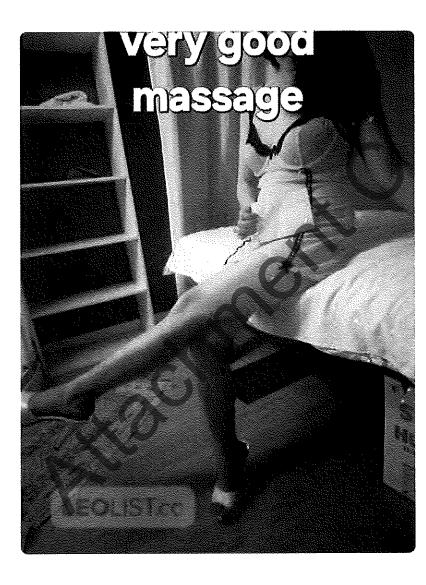
Come and unwind with my unrushed full body prostate and

TRY Christmas special & thai in Nanaimo

Posted 17 hours ago - Viewed 49808 times

## SPONSORS Sugar Babies | Live Sex Cams | Local Hookups







## Ron-Verified Pictures











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### TRY Christmas special &thai in Nanaimo

Posted 17 hours ago -- Viewed 49808 times

### SPONSORS Sugar Babies | Live Sex Cams | Local Hookups



## Non-Verified Pictures











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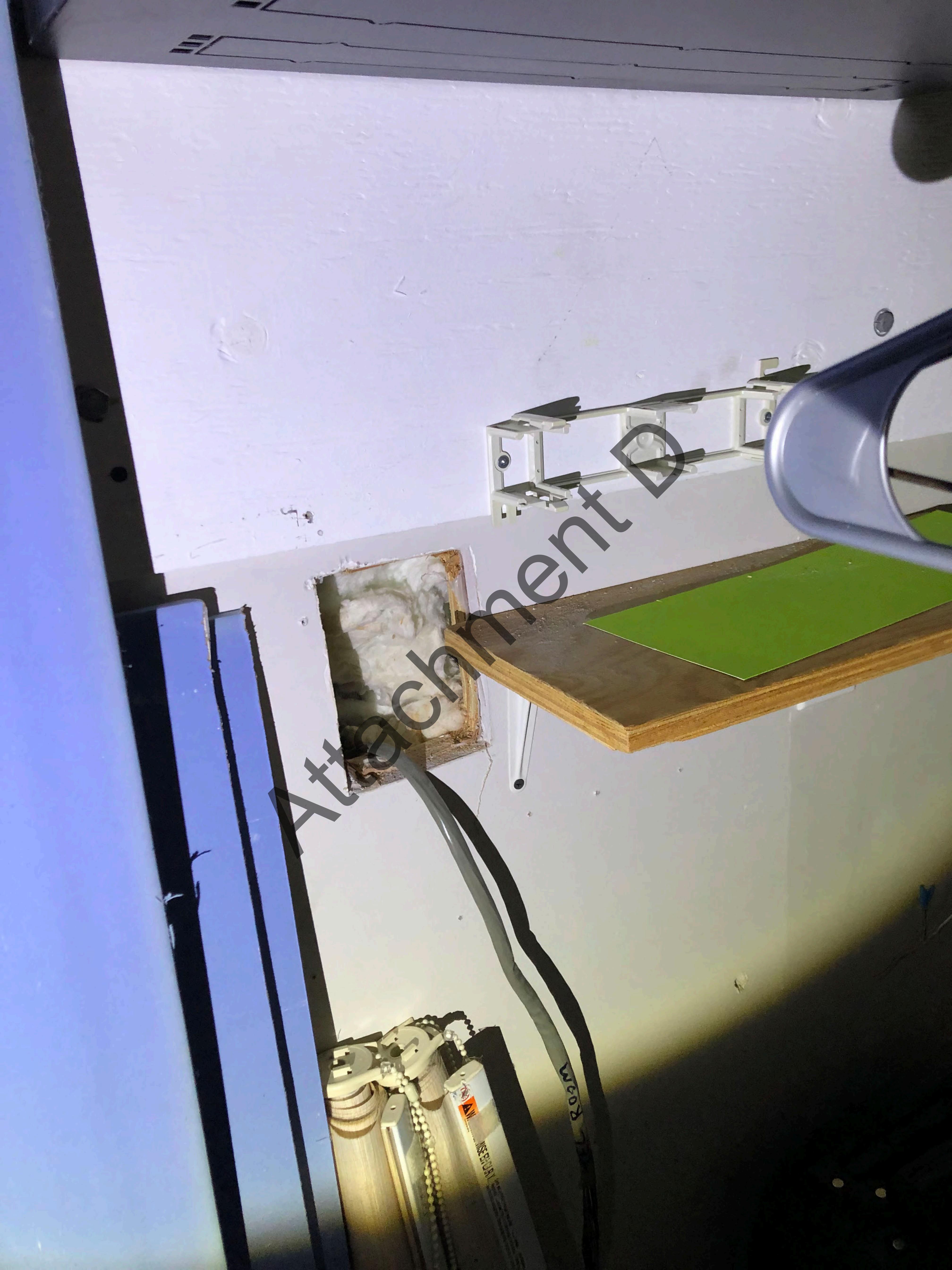






























# **TOWN OF LADYSMITH**

**410 ESPLANADE** PO Box 220 LADYSMITH, BC V9G 1A2 Telephone : (250) 245-6400 Fax No. : (250) 245-6411



2024 **OFFICE COPY** 

LOCATION OF BUSINESS 1 16 HIGH ST

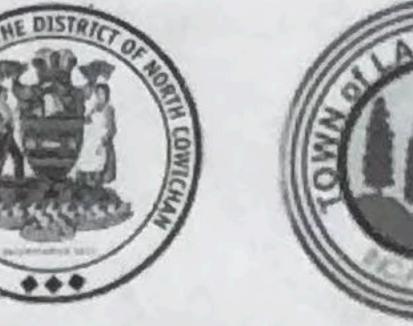
NAME AND ADDRESS OF BUSINESS LILY'S LOUNGE SPA 220 CORONATION AVE DUNCAN, BC V9K 2B5

LICENCE EFFECTIVE FROM : 01-Jan-2024 TO:31-Dec-2024 LICENCE NO. : 1891 CUSTOMER : LILY001 Licence Fee : 50.00 0.00 **Balance**:

# TOWN OF LADYSMITH

410 ESPLANADE PO Box 220 LADYSMITH, BC V9G 1A2 Telephone : (250) 245-6400 Fax No. : (250) 245-6411







2024 **BUSINESS LICENCE** 

LOCATION OF BUSINESS : 1 16 HIGH ST

NAME AND ADDRESS OF BUSINESS LILY'S LOUNGE SPA 220 CORONATION AVE DUNCAN, BC V9K 2B5

LICENCE EFFECTIVE FROM : 01-Jan-2024 TO: 31-Dec-2024

LICENCE NO. : 1891 CUSTOMER : LILY001

50.00 Licence Fee :

0.00 **Balance**: THIS IS TO CERTIFY that the Licencee has paid the required Licence Fee and is entitled to carry on business as indicated within the Town of Ladysmith, in a lawful manner and subject to the provision of all bylaws in effect. This Licence is personal and cannot be transferred as per the Town of Ladysmith Business Licence Regulation Bylaw #1513, THIS LICENCE MUST BE POSTED IN A CONSPICUOUS PLACE ON THE PREMISES CASH REGISTER IMPRESSION CONSTITUTES OFFICIAL LICENCE



names and the seal of the board when of this 12nd day of July 12, 2017. 3568ACU Certificate No. Registrar



-- The Affordable & Quality Health & Wellness Training Institute for Everyonel (PTIB # 4198)

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Granted to

# Rong Hu

Student Number: 2023CBM0030

# Certificate

**120 Hours of Training** 

Relaxation Body Massage

September 30, 2023

" why dhan

Chun Wang, BSN, MHA, MD

www.wellnesscollege.ca



 
 From:
 Mike Sherman

 To:
 Jake Belobaba

 Subject:
 Fw: information and document for 1-16high st Ladysmith BC

 Date:
 January 22, 2025 8:18:34 AM

 Attachments:
 2023CBM0030 Rong Hu.jpeg 2023CBM0031 Hong Lou.jpeg Scan2025-01-21 155725.jpg

FYI:

#### From the owner of 16 High.

Mike Sherman Bylaw Compliance Officer Protective Services 250.245.6446 (o) 250.713.7151(c) 410 Esplanade MAIL PO Box 220 Ladysmith, BC V9G 1A2 Celebrate our Present. Embrace our Future. Honour our Past.

From: Rong Hu <Redacted >
Sent: January 21, 2025 21:06
To: Bylaw Enforcement <Bylaw@ladysmith.ca>
Subject: Re: information and document for 1-16high st Ladysmith BC

On Tuesday, January 21, 2025 at 04:16:44 p.m. CST, Rong Hu < Redacted

Hi Officer,

I am the owner for 1-16high st Ladysmith, for the inspection yesterday I will send you additional documents and explain the current struture is follow the building code and whatever soneone did the plumbing before I had h red a licensed plumber at Nanaimo

wrote:

and My tanent have give key to him today for an inspection report from him this week and I will send to you once I get rreport.

Attach file is rent agreement and her and me massage license.

The lady nick name is <sup>Redacted</sup> and she rent a room from me but I have my small space for Acupuncture and I have my acupuncture machine and table there too if I am office some time, my work by myself is part time there.

If you have anything want to know you can email me here or call me Redacted .

Thanks

Your truthfully

Rong Hu

**EXTERNAL EMAIL:** The sender is external to the Town of Ladysmith. Do not click links or open attachments unless you recognize the sender and know the content is safe.

technetic

### **Vancouver International College of Health & Wellness**

-- The Affordable & Quality Health & Wellness Training Institute for Everyone!

(PTIB # 4198)

Granted to

Rong Hux

Student Number: 2023CBM0030

## Certificate

# 120 Hours of Training Relaxation Body Massage

September 30, 2023

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VICHW

Chun Wang, BSN, MHA, MD

Dean

www.wellnesscollege.ca



-- The Affordable & Quality Health & Wellness Training Institute for Everyone!

(PTIB # 4198)

Granted to

Hong Loux

Student Number: 2023CBM0031

## Certificate

# 120 Hours of Training Relaxation Body Massage

September 30, 2023

VICHW

Chun Wang, BSN, MHA, MD

Dean

www.wellnesscollege.ca

# Redacted **RENTAL AGREEMEN**

(To be completed after acceptance and prior to occupancy)

(tenant) herein rents through RONG HU(Owner) the entire main floor at the premises at the address commonly known as 1 = 16 H igh St 1 - 0.04 M i H igh at a monthly rent of \$300, to be due and payable on or before the first day of each and every month by the tenant to the owner. Utilities are included in the rent (gas, electricity and water, wifi). This Rental Agreement begins on 200 ft (subject, if premises currently occupied, to present tenant vacating) and will remain in effect until 100 for 200 ft (Subject, if premises date, the tenant will continue to occupy the premises on a month-to-month basis unless written notice is given to vacate.

### THIS AGREEMENT IS SUBJECT TO THE FOLLOWING CONDITIONS

The tenant and the co-tenant(s) (if applicable) agree(s):

- 1. not to keep any pets on the premises without first obtaining specific written permission from the owner.
- 2. to keep the premises as a private dwelling only.
- 3. to be responsible for obtaining insurance for personal items kept in or on the premises.
- 4. not to assign or sublet the premises or any part thereof or to make alterations without prior written consent from the owner or his/her agent, and agrees that all future co-tenants must apply, and be approved, prior to occupancy.
- 5. to keep the premises (including the grounds) clean, free from refuse, and in good repair, to keep the walkways and outdoor stairways clear of snow and ice, and to keep clean, and repair any damages, while residing in the premises as well as when vacating the premises.
- 6. to use the premises as they were designed to be used. If the premises are not designed specifically to allow the hook-up of a washer, dryer, dishwasher, air conditioner, etc., then the installation and use of these appliances is strictly forbidden (even the occasional use of the above-mentioned appliances is in specific violation of this agreement).
- 8. to give one (1) full month's written notice before vacating the premises (moving out). If less than

one month's notice is given then tenant will be responsible to pay for rent of the premises for one month after the notice is given.

- 9. to allow the owner or his/her agent to place a for rent sign in or on the premises during the last month of occupancy, and to allow persons interested in viewing the premises to do so at any reasonable hour of any day of the week (or weekend).
- 11. that rent paid after the 7th day of the month will be subject to a \$ 25.00 surcharge, and that N.S.F. (bounced) checks will be subject to a \$ 25.00 fee.
- 12. Damage deposit is one month rent.

(tenant signature)

owp Redacted

(owner or agent signature)

Redacted

(date)

Novzoth, 202

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