BEFORE THE CITY COUNCIL

OF THE CITY OF LAS VEGAS, NEVADA

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IN THE MATTER OF:

DEPARTMENT OF FINANCE AND BUSINESS SERVICES on behalf of the CITY OF LAS VEGAS, NEVADA,

Petitioner,

vs.

RAN ORIENTAL THERAPY'S LLC, a Nevada limited liability company, d/b/a SHANGRI LA HEALTH CLINIC and JINLI RAN,

Respondents.

COMPLAINT FOR DISCIPLINARY ACTION

The DEPARTMENT OF FINANCE AND BUSINESS SERVICES, on behalf of the CITY OF LAS VEGAS, NEVADA (Department), Petitioner, brings this Complaint for Disciplinary Action against RAN ORIENTAL THERAPY'S LLC, a Nevada limited liability company, d/b/a SHANGRI LA HEALTH CLINIC, and JINLI RAN, individually and as officer of RAN ORIENTAL THERAPY'S LLC, 430 East Sahara Avenue, Las Vegas, Clark County, Nevada, Respondents, and states:

Respondent RAN ORIENTAL THERAPY'S LLC holds a privileged Massage Establishment License No. M03-00053-4-082152. Respondent JINLI RAN is the sole officer and member of Respondent RAN ORIENTAL THERAPY'S LLC.

SUMMARY OF ALLEGATIONS

SHANGRI LA HEALTH CLINIC is owned by JINLI RAN through her interest in RAN ORIENTAL THERAPY'S LLC, a Nevada limited liability company. The business has

been operated repeatedly in an unlawful manner by creating a public and chronic nuisance in violation of Nevada law and the Las Vegas Municipal Code by allowing its massage therapists to engage in solicitation of prostitution. On July 21, 2010, the Las Vegas City Council revoked the Massage Establishment license of Oriental Angels Massage, another business owned and operated by Respondents within the city of Las Vegas.

SOLICITATION OF PROSTITUTION

On November 14, 2006, an undercover detective with the Las Vegas Metropolitan Police Department entered SHANGRI LA HEALTH CLINIC and agreed with one Zhan Di to receive a one-hour massage for the price of $70. During the course of the massage, Ms. Di agreed to perform an act of oral copulation upon the detective for an additional $100. Ms. Di was arrested on a charge of Soliciting Prostitution. On February 5, 2008, Ms. Di was found guilty of the charge of Soliciting Prostitution.

On October 3, 2007, an undercover detective with the Las Vegas Metropolitan Police Department entered SHANGRI LA HEALTH CLINIC and agreed with one Miao Li to receive a massage. During the course of the massage, Ms. Li agreed to perform an act of manual masturbation upon the detective for an additional $70. Ms. Li was subsequently arrested on a charge of Soliciting Prostitution.

On February 13, 2009, an undercover detective with the Las Vegas Metropolitan Police Department entered SHANGRI LA HEALTH CLINIC and agreed with one Yong Qiao to receive a one-hour massage for the price of $70. During the course of the massage, Ms. Qiao agreed to perform an act of manual masturbation upon the detective for an additional $60. Ms. Qiao was subsequently arrested on a charge of Soliciting Prostitution.

On December 17, 2009, an undercover detective with the Las Vegas Metropolitan Police Department entered SHANGRI LA HEALTH CLINIC and agreed with one Fengying Ma to receive a one-hour massage for the price of $70. During the course of the massage, Ms. Ma agreed to perform an act of manual masturbation upon the detective for an additional $50. Ms. Ma was subsequently arrested on a charge of Soliciting Prostitution.

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On May 15, 2010, an undercover detective with the Las Vegas Metropolitan Police Department entered SHANGRI LA HEALTH CLINIC and agreed with one Jia Yao to receive a half-hour massage for the price of $50. During the course of the massage, Ms. Yao agreed to perform an act of manual masturbation upon the detective for an additional $80. Ms. Yao was subsequently arrested on a charge of Soliciting Prostitution.

On August 12, 2010, Guang Han Liu, while employed as a massage therapist at SHANGRI LA HEALTH CLINIC, was arrested by an undercover detective with the Las Vegas Metropolitan Police Department on a charge of Soliciting Prostitution.

After each arrest, Respondent RAN was notified of the arrest of her employee for Soliciting Prostitution and of the violation of city ordinances regarding massage establishments.

REGULATORY ACTIONS

On July 21, 2010, the Las Vegas City Council conducted a hearing on a disciplinary complaint regarding Oriental Angels, another business operated by Respondents RAN ORIENTAL THERAPY'S LLC and JINLI RAN. The Council ordered the revocation of Massage Establishment License No. M03-00107-6-100306 as a result of prostitution-related activities taking place at the premises of Oriental Angels.

SUBSTANTIVE LAW

Las Vegas Municipal Code (LVMC) 6.02.330 provides [Unlawful Business Activity]:

> A licensee may be subject to disciplinary action by the City Council for good cause, which may, without limitation, include the following:
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> (B) The licensee or any of its principals has been subject, in any jurisdiction, to disciplinary action of any kind with respect to a license, an approval for suitability, a permit or a work card to the extent that such disciplinary action reflects upon the qualification, acceptability or fitness of such licensee or principal
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> . . . .
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> (H) The business activity constitutes, promotes, causes, allows, fosters, aids, or otherwise enables a private nuisance, public nuisance or chronic nuisance, or has been or is being

conducted in an unlawful, illegal or impermissible manner, including but not limited to causing, allowing, promoting, fostering, aiding, enabling, exercising deliberate ignorance towards or failing to abate a private nuisance, public nuisance or chronic nuisance; or

(I) The licensee, any of its principals, their employees or those acting on their behalf failed to cooperate with the Director's efforts to enforce the provisions of this Code.

LVMC 6.02.350 provides [Acts and Omissions]:

A licensee under this Title shall be subject to disciplinary action not only for acts or omissions done by such licensee but also for acts and omissions done by the principals, managers, agents, representatives, servants or employees of such licensee.

LVMC 6.52.120 provides [Prohibited Activities]:

It is unlawful for a massage establishment licensee, or a principal or employee thereof, to do any of the following:

(A) Within a massage establishment, engage in or solicit sexual activity during the course of performing massage therapy on a person, with or without the consent of the person, including, without limitation, if the licensee, principal or employee:

(1) Made sexual advances toward the person;

(2) Requested sexual favors from the person; or

(3) Massaged, touched or applied any instrument to the breasts of the person, unless the person has signed a written consent form provided by the Nevada Board of Massage Therapists;

(B) Within a massage establishment, allow a massage therapist to engage in or solicit sexual activity in violation of Subsection (A) of this Section;

(C) Engage in false, deceptive or misleading advertising regarding the services available within a massage establishment, including, without limitation, false, deceptive or misleading advertising regarding the training that a massage establishment licensee, principal or employee has received.

NRS 201.354(1) provides [Solicitation of Prostitution]:

It is unlawful for any person to engage in prostitution or solicitation therefor, except in a licensed house of prostitution.

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LVMC 10.36.020(A) provides [Solicitation of Prostitution]:

> It is unlawful for anyone, other than a Peace Officer acting within the scope of his or her employment, to:
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> (1) Commit, engage in, institute, solicit, offer or agree to commit an act of prostitution;
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> (2) Attempt to commit, engage in, or institute an act of prostitution; or
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> (3) Intentionally facilitate, allow, permit, encourage, procure, negotiate or provide a fee for an act of prostitution.

STANDARD OF EVIDENCE

LVMC 6.88.090 provides:

> (A) The hearing need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence may be admitted.
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> (B) The respondent shall have the right to call and examine witnesses on his own behalf, cross-examine opposing witnesses, introduce exhibits and evidence relevant to the issues of the case, and offer rebuttal evidence.
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> (C) The respondent may be called and examined by the City.
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> (D) The Clerk shall have the power to issue subpoenas for witnesses to appear to give testimony.

PENALTY

LVMC 6.02.360 provides:

> Upon a showing of good cause and in the discretion of the City Council, disciplinary action against a holder may take the form of cancellation, revocation, refusal to renew, suspension, imposition of conditions or restrictions or civil fine in an amount not to exceed one thousand dollars for each day that the violation which forms the subject matter of the complaint that recommends such disciplinary action is demonstrated to have been in existence, or any combination of such actions, as the particular situation may require. The Council may also impose against the licensee the actual costs incurred, and a reasonable amount for attorney's fees, resulting from the imposition of disciplinary action. The disciplinary actions available in this Section shall be in addition to, and not exclusive of, any other civil or criminal remedy which otherwise might be available.

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ALLEGATIONS

COUNT ONE

It is alleged that between November 14, 2006 and present, Respondents RAN ORIENTAL THERAPY'S LLC d/b/a SHANGRI LA HEALTH CLINIC and JINLI RAN operated a business which constituted a public, private and chronic nuisance and which has been conducted in an unlawful, illegal and impermissible manner, to wit: creating, promoting, fostering, aiding, enabling, exercising deliberate indifference towards or failing to abate a public nuisance, private nuisance or chronic nuisance and permitting an environment in which solicitation of prostitution occurred in violation of the Las Vegas Municipal Code and Nevada Revised Statutes.

COUNT TWO

On July 21, 2010, Respondents RAN ORIENTAL THERAPY'S LLC and JINLI RAN were subjected to a disciplinary action by the Las Vegas City Council in the form of the revocation of a massage establishment license for Oriental Angels as a result of prostitution-related activities on the premises. The action of the Council reflects upon the qualifications, acceptability or fitness of RAN ORIENTAL THERAPY'S LLC and JINLI RAN.

WHEREFORE, the Petitioner respectfully requests the City Council to:

A. Approve the Complaint for Disciplinary Action and order a disciplinary hearing at which the Respondents shall appear and show cause why the licenses that are the subject of this Complaint should not be suspended or revoked, or other disciplinary action taken; or

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B. Grant such other and further relief as the Council deems appropriate.

DATED this 24th day of September, 2010.

RESPECTFULLY SUBMITTED:

By: _____
MARK R. VINCENT, Director
Finance and Business Services

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By: _____
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