



CITY OF VANCOUVER  
BUSINESS LICENSE HEARING MINUTES

APRIL 11, 2007

A Business License Hearing of the Council of the City of Vancouver was held on Wednesday, April 11, 2007, at 9:30 a.m., in the Council Chamber, Third Floor, City Hall, to determine whether or not a City of Vancouver business license for the year 2007 will be granted to Gui Xia Zhang (the "License Applicant") doing business as Spring Spa, for business premises located at 117 West Broadway, Vancouver, British Columbia (the "Premises").

**PRESENT:** Councillor B.C. Lee, Chair  
Councillor Heather Deal  
Councillor Raymond Louie

**CITY CLERK'S OFFICE:** Tina Hildebrandt, Meeting Coordinator

1. **Gui Xia Zhang dba Spring Spa (VanRIMS No. 08-2000-40)**

The Business License Hearing Panel had before it for consideration an Evidence Brief, prepared by the City of Vancouver's Legal Department, which contained the following material (*on file in the City Clerk's Office*) and the evidence of witnesses:

1 **License Department**

Address Inquiry - Notes dated December 7, 2005  
Building Permit #BU 434293 dated December 13, 2005  
Property Use Inspection Report #UI 29381 dated April 28, 2006  
Complaint Letter dated September 6, 2006  
Business License Application Form dated January 11, 2007  
Police Background Check Form dated January 11, 2007  
Copy of Drivers License of Gui Xia Zhang  
E-mail to Susan Smith from Jodyne Keller dated February 16, 2007  
Handwritten Notes dated March 15, 2007  
Letter to Gui Xia Zhang from Paul Teichroeb dated March 19, 2007  
Letter to Barb Windsor from Gui Xia Zhang dated March 22, 2007  
Letter to Gui Xia Zhang from Barb Windsor dated March 22, 2007

2 **Police Department**

Report #2006-97764 dated May 12, 2006

Iain Dixon, Counsel, was present on behalf of the City of Vancouver. Gui Xia Zhang (the "License Applicant") was present and was aided by Lanta Meng, certified Mandarin Interpreter.

Mr. Dixon advised that this matter had been referred to City Council by the Chief License Inspector pursuant to Section 4(2a) of the License By-law and Section 275 of the Vancouver Charter which states that Council has broad powers to revoke, suspend or uphold a business license. He also advised that it is at Council's discretion as to whether to issue a license to a particular business, which is the case at this hearing. He noted that the issue to consider is one of management, whether the License Applicant is capable of running the business properly, whether she has been involved in other businesses in the past which have been run properly and whether she is likely to maintain the operation of the business. When considering the issue of management, he advised that Council is entitled to consider matters such as the impact of the business on the neighbourhood, the potential drain on police or City resources and whether or not the business is likely to comply with applicable municipal, provincial and federal legislation.

Mr. Dixon referred the Panel to evidence before it as set out in documents which were considered by the Chief License Inspector in referring the business license application to Council, a letter from the Deputy Chief License Inspector and the evidence of witnesses, which set out allegations that the License Applicant has not properly managed the Premises by:

- (a) carrying on business to the detriment of public order and safety in the neighbourhood; and
- (b) carrying on business to the detriment of other licensed businesses in the City of Vancouver.

Mr. Dixon also referred the Panel to the following additional documents submitted as evidence at this hearing (*on file in the City Clerks Office*):

- Complaint Form dated March 26, 2006, with an attached flyer; and
- Letter to Amy Lai Ngo Ho from Barb Windsor dated July 31, 2006.

In support of the allegations set out in the above-noted reports and evidence, Mr. Dixon called the following witnesses:

1. Barb Windsor, Deputy Chief License Inspector/Assistant Director of Licenses & Inspections
2. Rino Modicamore, Property Use Inspector
3. Police Constable Michelle Holm

Ms. Zhang submitted that in the 36 years she lived in China she never engaged in any illegal activity and was involved in the cosmetic trade. When she moved to Canada in 2001 she worked in a garment factory and gradually started providing facials and weight loss programs for friends and family. She also worked in a massage parlour part-time. She advised that she is applying for the business license because she likes Vancouver and as she gets older she would like to have her own business and be involved in something familiar that she likes. Ms. Zhang noted that before submitting her license application, she was not aware of some of the illegal activities taking place at the premises and that she did nothing illegal. She added that when she worked for the previous owner at the premises, all she did was facial massage, not

full body massage. She stated that she is a law abiding Canadian citizen who would never do anything illegal and hoped she would be granted a fair chance, noting that it would not be fair to judge her business license application based on the previous activities at the premises.

During questions in relation to the business, Ms. Zhang circulated a booklet containing documents of similar businesses that she gathered for market research purposes.

Mr. Dixon submitted that the Panel heard testimony from the witnesses for the City of Vancouver which clearly demonstrates that the previous license holder at this location was operating the business illegally. He added that Ms. Zhang was clearly affiliated with and working in the business under the previous license holder, noting that although there was no evidence as to exactly what she was doing, she was clearly involved, at the very least as an employee. He further submitted that it is unlikely that Ms. Zhang was unaware of the type of business that she was working in. Further, he added that Ms. Zhang hadn't provided any evidence to suggest that she will run the business any differently than the business she was previously involved with at the premises. He noted the landlady is the same and that Ms. Zhang seems to not understand exactly what is and what is not allowed and has been disingenuous with City staff. He pointed out that it is not a language barrier, as Ms. Zhang had indicated during questions from the Panel, but rather that she deliberately evaded the question posed by Ms. Windsor as to whether she worked at the premises before. The only reason for evading that question is because she knew there were problems with the previous business. In addition, he noted that Ms. Zhang has not demonstrated an ability to run the premises as a legal business and it is therefore likely that it will continue to be run in a manner similar to the previous license holder. Mr. Dixon recommended the business license not be issued for this particular premise, noting had it been a different location, it may have been a different situation.

In closing, Ms. Zhang submitted that she fully intends to operate the business under the City's licensing requirements and will not do anything illegal. She reiterated that she was not aware of some of the illegal activities taking place at the premises and hoped Council would consider granting her this business license.

#### **PANEL MEMBERS DISCUSSION**

Prior to a decision, Panel members noted that the License Applicant needs to show more evidence that she will be reliable in operating this business and should consider changing locations. It was also noted that at this time it looks as though the same type of business will be opening in the same premises with the same people involved and there is no confidence that this business will not slip back into the same situation.

MOVED by Councillor Deal

THAT a City of Vancouver business license for the year 2007 not be issued to Gui Xia Zhang doing business as Spring Spa (the ALicense Applicant@), for business premises located at 117 West Broadway, Vancouver, British Columbia (the "Premises"), for the following reasons:

- (a) carrying on business to the detriment of public order and safety in the neighbourhood; and
- (b) carrying on business to the detriment of other licensed businesses in the City of Vancouver.

CARRIED UNANIMOUSLY

The Business License Hearing Panel adjourned at 11:04 a.m.

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