



CITY COUNCIL ACTION ITEM

Date January 6, 2012

TO: Mayor Daniels and City Council

FROM: John Szerlag, City Manager
 Gary G. Mayer, Chief of Police
 Keith Frye, Captain
 Aileen Bittner, City Clerk

SUBJECT: Hearing for the Revocation of a Massage Facility License – Recovery Spa, Inc. – 1975 E. Maple Rd.

Background:

Recovery Spa, Inc. was issued a Massage Facility License on September 27, 2011, with Ms. Ok Suk An listed as the applicant owner. On or about October 24, 2011, the Troy Police Department received a tip indicating that employees at the Recovery Spa were performing sexual acts for money during business hours at that location. Further investigation substantiated this information.

A covert investigation was initiated. The investigation revealed that illegal acts were committed by employees of The Recovery Spa. Investigators executed a search warrant on November 14th, 2011, and found numerous ordinance violations pertaining to the licensed establishment. Appropriate citations were issued and warrants were sought. Three people await the outcome of the judicial process.

In addition to the charges listed on the Notice of Suspension and Hearing, the Recovery Spa, Inc. also violated Chapter 98-A *Massage Facility* by employing at least two unlicensed massage therapists.

Pursuant to Paragraph 11.b) – *Suspension or Revocation of License; Notice of Hearing of Chapter 98-A Massage Facility License*, the City Manager authorized the immediate suspension of the Massage Facility License for Recovery Spa, Inc. on December 19, 2011, based on the findings of the Police Department's investigation. The Notice of Suspension and Hearing is attached.

Section 11.c - *Suspension or Revocation of License; Notice of Hearing of Chapter 98-A Massage Facility License* entitles the applicant to a due process hearing before City Council in order for the applicant to offer testimony and show cause why the City Manager's suspension should be reversed or Massage Facility License not revoked.

The Massage Facility License for Recovery Spa, Inc. expired December 31, 2011. The outcome of the due process hearing, and the decision of City Council, will affect possible future renewals of the license.

Recommendation:

City Administration recommends the immediate revocation of the Massage Facility License issued to Recovery Spa, Inc.

NOTICE OF SUSPENSION AND HEARING

Pursuant to Paragraph 11.b) – *Suspension or Revocation of License; Notice of Hearing* of Chapter 98-A *Massage Facility License*, the City Manager has authorized the immediate suspension of the Massage Facility License for **Recovery Spa, Inc.** located at **1975 E. Maple Rd.**

This suspension is based on violations of Chapter 98-A *Massage Facility License*, including but not limited to, those detailed below:

- Paragraph 9 – *Posting of License*: Every Massage Facility Licensed under this Chapter shall be displayed in a prominent place at the Massage Facility.
- Paragraph 14.b) – *Operating Requirements*: The price rates for all services at the Massage Facility shall be prominently posted in the reception area in a location available to all prospective customers.
- Paragraph 18.a) – *Unlawful Acts*: It shall be unlawful for any person in a Massage Facility to expose his or her sexual or genital parts, or any portion thereof, to any other person. It shall also be unlawful for any person in a Massage Facility to expose the sexual or genital parts, or any portions thereof, of any other person.
- Paragraph 18.d) – *Unlawful Acts*: It shall be unlawful for any person owning, operating or managing a Massage Facility, or any agent, employee, or any other person under his or her control or supervision to perform such acts or allow the performance of such acts that are prohibited in subsections 19 (a), (b) or (c).

Pursuant to Section 11.c - *Suspension or Revocation of License; Notice of Hearing* of Chapter 98-A *Massage Facility License*, you are entitled to a due process hearing before Troy City Council at which time you may give testimony and show cause why the City Manager's suspension should be reversed or Massage Facility License not revoked.

This hearing is set for the Regular City Council Meeting on **January 9, 2012, at 7:30 PM**. The City Council meetings are held inside the Council Chambers on the second floor of City Hall – 500 W. Big Beaver Rd.

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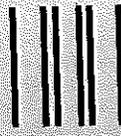
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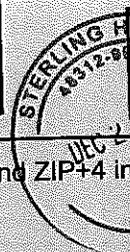
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City of Troy
City Clerk's Office
500 West Big Beaver
Troy, Michigan 48084
(248) 524-3331

License Expires: December 31, 2011

Ok Suk An
42354 Parkside Cir. Apt. 206
Sterling Heights, MI 48314

Facility Location:
Recovery Spa Inc.
1975 E. Maple Rd.
Troy, MI 48083

Massage Facility License 2011-005

(This License is Not Transferable)

This permit does not constitute an endorsement by the
City of Troy

Date of Issue: September 7, 2011

This is to certify that the facility listed is registered
as a Massage Facility in the City of Troy during the
current year.

M. Aileen Bittner

M. Aileen Bittner, Acting City Clerk