Menifee Police Department 29714 Haun Rd. | Menifee, CA 92586 | (951) 723-1500



Ed Varso, Chief of Police

DATE: October 31, 2022

TO: Margarita Cornejo, Deputy Finance Director

FROM: Ed Varso, Chief of Police

VIA: Raul Perez, Sergeant

SUBJECT: Request for Denial of Business License

Yihai Ace/Happy Seven, 27701 Scott Rd. #204, Menifee, CA 92584

On October 25, 2022, Fangkai Jiang submitted another business license application to the City of Menifee for a massage business, Yihai Ace/Happy Seven, located at 27001 Scott Rd. #204, Menifee, CA 92584. As part of the business license application, Mr. Jiang provided a written declaration indicating that he was the sole shareholder of Yiahi Ace, Inc., which seeks to do business in the City of Menifee as Happy 7. Also noted in the declaration was that Ms. Li Wang will have no involvement in the business operations of Yihai Ace and/or Happy 7.

Mr. Jiang's previous business license application submitted on July 26, 2022, which included Li Wang as a massage therapist, was denied pursuant to Menifee Municipal Code 5.01.140. Reasons for the initial business license denial included Li Wang's 2017 prostitution arrest in San Diego, and Jiang and Wang's associations with prior massage businesses that had reviews on Rubmaps.ch that were consistent with prostitution activity. Refer to the initial denial memorandum for further information.

Since the initial business license denial, additional follow-up was conducted on Li Wang's arrest from August 3, 2017, in San Diego. Wang was arrested for prostitution by the San Diego Police Department during an undercover operation at the business Joy Foot Massage located at 5825 Mission Gorge Rd., San Diego, CA 92120. The case was prosecuted by the City of San Diego City Attorney's Office.

According to the City of San Diego, Fangkai Jiang and Shiwei Xing were the listed owners of record for Joy Foot Massage, 5825 Mission Gorge Rd., San Diego, CA 92120, from February 2, 2017, to February 28, 2018. Li Wang's prostitution arrest at Joy Foot Massage on August 3, 2017, was during Fangkai Jiang's ownership.

Mr. Jiang claims Li Wang will not be involved with the business operations of Yihai Ace and/or Happy 7. Still, it's a risk the city cannot accept. Their prior illicit massage business associations and being married to each other are significant factors to consider when evaluating the potential risk of illicit massage activity occurring at a business owned or operated by Mr. Jiang. I, therefore,

continue to recommend that the City of Menifee deny the issuance of a business license pursuant to Menifee Municipal Code 5.01.140 (Grounds for Business License Denial) § K, which states:

Based on facts and circumstances discovered by the background investigation which indicate acts of deceit, fraud, or other acts of moral turpitude and the applicant's statements on the business license application, the Chief of Police or their designee reasonably determines that the applicant would not conduct the business enterprise in a law-abiding manner or would conduct the business in a manner that would subject patrons of the business enterprise to risk of harm or criminal, deceitful or otherwise unethical practices.