Agenda Item No: 16.A



# STAFF REPORT

Report To: Board of Supervisors Meeting Date: April 15, 2021

**Staff Contact:** Hope Sullivan, Planning Manager

Agenda Title: For Possible Action: Discussion and possible action regarding direction to staff on whether

to serve a notice of an order to appear and show cause why Business License

BL-001033-2020, issued to Five Star Motel LLC, dba Royal Inn Motel located at 1718 North Carson Street, should not be suspended, cancelled, or revoked pursuant to Carson City Municipal Code ("CCMC") 4.04.210(1), for continued operation of the business in violation of the CCMC, and whether to fix the time and place for the show cause hearing for May 20, 2021 at 11:00 a.m. during the regularly scheduled Board of Supervisors meeting. (Hope

Sullivan, hsullivan@carson.org)

Staff Summary: The Carson City Sherriff's Office has observed that the hotel located at 1718 North Carson Street is a location that is frequented by vagrants and criminals, with associated activities that result in increased demand for the Sheriff's office services. The Carson City Department of Health and Human Services has observed that the hotel units have had bed bugs, mice and cockroaches. CCMC 4.04.210 establishes the process for suspending, canceling or revoking a business license based on "good cause", which includes the commission of, or permitting or causing the commission of, any act in the operation of the business which act is made unlawful or is prohibited by any ordinance, rule or law of Carson City, or state or federal government and the existence of unsanitary conditions at, near or in the premises which cause or tend to create a public nuisance or which injuriously affects the public health, safety or welfare.

Agenda Action: Formal Action / Motion Time Requested: 15 mins

#### **Proposed Motion**

I move to direct staff to serve a notice of an order to appear and show cause as presented and to schedule the show cause hearing for May 20, 2021 at 11:00 a.m.

#### **Board's Strategic Goal**

Quality of Life

### **Previous Action**

N/A

## Background/Issues & Analysis

CCMC Chapter 4.04 (Business Licenses), Section 4.04.210 (Suspension, cancellation or revocation of licenses or permits) establishes the reasons and process for suspending, canceling or revoking a business license. "Good cause" for such an action includes "any act in the operation of the business [that] is made unlawful or is prohibited by any ordinance, law or rule of Carson City" as well as "the existence of unsanitary conditions ... at, near or in the premises which cause or tend to create a public nuisance or which injuriously affects the public health, safety or welfare." In accordance with CCMC 4.04.210, the procedure provides that the Board of

Supervisors "may, on its own motion or initiative, . . . institute proceedings to suspend, cancel or revoke a license. . . ." The required process is as follows:

- 1. The Board of Supervisors, by motion, directs staff to serve notice of an order to the business owner to appear before the Board for a show cause hearing set by the Board.
- 2. The Board of Supervisors conducts a "show-cause" hearing to provide the business the opportunity to show cause why the license should not be suspended, canceled or revoked.

Subject business information:

Business Name: Five Star Motel LLC dba: Royal Inn Motel Business Address: 1718 North Carson Street, Carson City, NV

Business License No: BL-001033-2020

Note that the hotel is commonly referred to by the names Royal Inn Motel and The Frontier Motel.

The Sheriff's office has observed that the Royal Inn / Frontier Motel management's lack of property caretaking and tenant accountability has created a location that is frequented by vagrants and criminals. The Sheriff's office further observes that the Royal Inn / Frontier Motel's current condition is not conducive to the quality of life the City has worked hard to establish and the citizens have come to expect.

The Sheriff's Office collected data and completed a comparative study of calls for service to seven local long-term motels. The Sheriff's Office used data from 2018-2020 for the following motel properties:

- Carson City Flats (801 N Carson St): 33 units
- Frontier / Royal Inn (1718 N Carson Street): 56 units
- Warren Inn (1850 N Carson St); 50 units
- Carson City Inn (1930 N Carson St): 62 units
- Carson Heights / Silver Queen (201 W Caroline); 36 units
- Nugget Hotel (651 N Stewart): 60 units
- Stewart Street Inn (323 N Stewart): 50 units
- Veranda View (1010 S Carson St): 35 units

The data (attached) reveals that the Royal Inn/ Frontier Motel has almost twice as many calls for service as the other properties, and the calls for service are increasing year after year. The Sheriff's office has made numerous drug arrests and search warrants on rooms at this location. Due to the Royal Inn/ Frontier Motel management's lack of property supervision the location has become a destination where criminals gather and network. Calls for service range from battery with a deadly weapon, fights, gang activity, hand to hand drug deals, death investigations related to drug overdoses and drug trafficking. The frequent calls for service and the Royal Inn/ Frontier Motel management's inability to control their tenants are straining the Sheriff's office response capabilities and reducing capacity of the Sheriff's office to provide services to the rest of our community.

The Royal Inn / Frontier Motel has room doors that are unable to be secured, due to structural damage. This same location has abandoned, and unregistered vehicles parked throughout the property. The Royal Inn/ Frontier Motel frequently does not have onsite property managers. These factors make the Royal Inn/ Frontier Motel an attractive location which promotes vagrants, criminals, or other unauthorized persons, to use the location for the purpose of committing unlawful acts. Deputies have come across rooms without beds and the occupants sleeping on the floor. The Sheriff's office has investigated care-takers of the property for crimes of domestic battery and drug sales.

The Sheriff's office has opined that without an immediate intervention, the Royal Inn/ Frontier Motel's management will continue to lack the motivation to improve their substandard business practices. The calls for service will continue to increase and public safety services will continue to be strained as a result.

In addition to the concerns raised by the Sheriff's office, the City's Health Department has conducted periodic inspections on the premise as part of the motel task force, and observed evidence of bed bugs, mice and cockroaches in the hotel units. On April 12, 2021, Health Inspectors will return to inspect the hotel. A report on that inspection will be provided to the Board at its meeting of April 15, 2021.

## Applicable Statute, Code, Policy, Rule or Regulation

CCMC 4.04.210

## **Financial Information**

Is there a fiscal impact? Yes

If yes, account name/number: Business Licenses/1011080-421100

Is it currently budgeted? Yes

**Explanation of Fiscal Impact:** \$353.40 is budgeted to Business Licenses/1011080-421100. If the Business License is revoked, the City will forgo this revenue.

## **Alternatives**

1. Do not initiate show cause proceedings.

(Vote Recorded By)

2. Initiate show cause proceedings but select a later date for the hearing.

Attachments:		
Business License.pdf		
Gonzales memo.pdf		
Board Action Taken:		
Motion:	- 1) 2)	_ Aye/Nay
	<u> </u>	



## **Carson City Business License Division**

### **BUSINESS LICENSE CERTIFICATE**

108 E. Proctor Street Carson City, NV 89701

(775) 887-2105 - Hearing Impaired: 711

buslic@carson.org

**Business Name:** 

Five Star Motel LLC

DBA: Royal Inn Motel

721110 Hotels (except Casino Hotels) and

Motels

Business Location: 1718 N CARSON ST N

**Mailing Address:** 

**Business Type(s):** 

1718 N Carson Street

Carson City, NV 89701

Owner:

Five Star Motel LLC

**License Number:** 

**Issued Date:** 

BL-001033-2020

License Type:

**Business License** 

Classification:

Commerical Location

**Expiration Date:** 

1/1/2021 12/31/2021

Fees Paid:

\$353.40

Thank you for choosing to operate your business in Carson City.

Please provide any changes to the business information to the Business License Division. Licenses are not transferable.

If you have any questions concerning your business license, contact the Business License Division.

TO BE POSTED IN A CONSPICUOUS PLACE



Ken Furlong Sheriff

775-887-2500 Fax: 775-887-2026

911 E. Musser St. Carson City, NV 89701

The City of Carson City and the Carson City Sheriff's Office are committed to maintaining quality neighborhoods and a safe community. The Frontier Motel management's lack of property caretaking and tenant accountability has created a location that is frequented by vagrants and criminals. The Frontier Motel's current condition is not conducive to the quality of life our City has worked hard to establish and the citizens of our community have come to expect.

The Sheriff's Office collected data and completed a comparative study of calls for service to 7 local long-term motels. The Sheriff's Office used data from 2018-2020 for the following motel properties:

- Carson City Flats (801 N Carson St)
- Frontier / Royal Inn (1718 N Carson Street)
- Warren Inn (1850 N Carson St)
- Carson City Inn (1930 N Carson St)
- Carson Heights / Silver Queen (201 W Caroline)
- Nugget Hotel (651 N Stewart)
- Stewart Street Inn (323 N Stewart)
- Veranda View (1010 S Carson St)

The data revealed that The Frontier Motel has almost twice as many calls for service as the other properties, and the calls for service are increasing year after year. The Sheriff's office has made numerous drug arrests and search warrants on rooms at this location. Due to the Frontier management's lack of property supervision the location has become a destination where criminals gather and network. Calls for service range from battery with a deadly weapon, fights, gang activity, hand to hand drug deals, death investigations related to drug overdoses and drug trafficking. The frequent calls for service and the Frontier management's inability to control their tenants are straining our response capabilities and reducing our capacity to provide services to the rest of our community.

The Frontier Motel has room doors that are unable to be secured, due to structural damage. This same location has abandoned, and unregistered vehicles parked throughout the property. The Frontier frequently does not have onsite property managers. These factors make the Frontier an attractive location which promotes vagrants, criminals, or other unauthorized persons, to use the location for the purpose of committing unlawful acts. Deputies have come across rooms without beds and the occupants sleeping on the floor. We have investigated care-takers of the property for crimes of domestic battery and drug sales.

Without an immediate intervention the Frontier Motel's management will continue to lack the motivation to improve their substandard business practices. The calls for service will continue to increase and our public safety services will continue to be strained as a result.

D		04	01/2021
Lt. Daniel Gonzales	,	Date	
Carson City Sheriff's Office			

SHERIFF UNITS									1000	William Town	
	CALLS FOR SERVICE		INCREASE / DECREASE # CALLS		TIME SPENT ONSCENE (HH:MM:SS)			AVERAGE TIME ON CALL (MM:SS)			
	2018	2019	2020	2019	2020	2018	2019	2020	2018	2019	2020
801 N CARSON ST (Carson City Flats)	49	52	32	6.12%	-38.46%	23:38:46	23:02:08	13:59:31	19:42	19:45	16:09
1718 N CARSON ST (Frontier)	194	220	255	13.40%	15.91%	125:01:27	129:27:30	199:05:51	24:26	20:60	26:43
1850 N CARSON ST (Warren Inn)	65	62	92	-4.62%	48.39%	19:47:00	28:16:16	51:40:04	13:30	18:38	25:12
1930 N CARSON ST (Carson City Inn)	62	87	142	40.32%	63.22%	35:29:09	45:47:33	67:00:42	21:30	21:28	20:00
201 W Caroline (Silver Queen)	39	125	75	220.51%	-40.00%	27:54:17	104:23:16	43:40:37	25:22	27:50	23:11
651 N Stewart St (Nugget Hotel)	70	93	48	32.86%	-48.39%	37:06:49	67:51:36	31:26:16	22:16	28:17	26:34
323 N Stewart St (Stewart Street Inn)	21	18	32	-14.29%	77.78%	12:32:51	07:37:24	09:08:43	22:09	24:04	16:38
1010 S Carson St (Veranda View )	104	132	108	26.92%	-18.18%	80:04:35	73:43:16	88:05:07	27:37	23:47	33:40
TOTAL	604	789	784								



