

Business Licensing

Hearing and Discussion for possible revocation for:
KNK Property Management, LLC
d.b.a.
Travelers Bed and Breakfast

Presented by
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Business Licensing Manager

Submitted at Meeting
Date 3/20/2024 Item 39
by Staff



Background

- **Business Name:** KNK Property Management, LLC, d.b.a. Travelers Bed and Breakfast
- **Owner:** Hope Kwon
- **Licensing Date:** July 29, 2015
- **License Details:**
 - Licensed as a HOTEL with 4 rooms and a Hostel with 22 rooms sharing a bathroom
 - **Description by Applicant:** *"Public Accommodations/Room Renting Business. Hotel will only rent rooms A, B, E, and D. Hostel. Daily rental only."*
 - Licenses were conditioned by Planning and Zoning: *"Daily rental period is not allowed more than 1 week."*



Business Licensing Compliance

March 2019 Inspections

- Three compliance inspections (on 3/15, 3/19, and 3/27):

Violations Found:

- LVMC 6.46.140, 6.46.150 & 6.02.060:
 - Failure to maintain a public register and require every person who rents or occupies a room to write in such register their name and place of residence. *(Owner informed BL Staff they were implementing an electronic system and demonstrated it)*
 - Unlicensed laundry facility was found *(removed on subsequent visit)*
 - Staff was educated on compliance requirements



Business Licensing Compliance

November 2021 Inspections

- **Citizen Complaint (11/9/21):** *criminal activities including drugs, prostitution, robbery with a firearm, and stabbing at the premises.*
- **Joint Inspection w/ Fire and BL (11/10):** *Owner & Staff were present*

Violations Found:

- LVMC 6.46.100, 6.46.150, 6.02.060 & Zoning condition (no more than 7 days):
 - 9 Fire Safety Violations were observed
 - BL Staff *unable* to confirm the unlicensed hair salon as the tenant was not present, but confirmed tenants in 2 rooms had been there over 5 months

- **Follow-up inspection by BL (11/18):**

- Verified that the two extended stay tenants had been evicted

Violations Found:

- LVMC 6.46.100, 6.46.150 (Failure to maintain adequate records & public register)
- Issued a \$99 Correction notice



Business Licensing Compliance

2023 Inspection and Events

- April: LVMPD issues Chronic Nuisance Letter (CNL) to Owner
 - 5 activities constituting a chronic nuisance identified dating 2/25/23 – 3/31/23
 - Violent crimes and narcotic activity
- June: BL Compliance inspection – *Owner present*

Violations Found:

 - LVMC 6.46.100 & 6.46.150 (Failure to maintain adequate records & public register)
- November: Joint inspection w/BL (Compliance & Audit), LVMPD-DTAC, & Fire

Violations Found:

 - LVMC 6.46.100 & .150 (Failure to maintain adequate records & public register)
 - Receipts still did not identify the proper breakdown
 - 2nd Correction notice issued with \$99 re-inspection fee



Business Licensing Compliance

Feb 2024 Inspections

- 2/13 BL (Compliance & Audit) Inspection
 - *Surveyed from across the street first and witnessed several people leave Travelers through the side gate and walk to the alley behind where they were loitering*
 - *Hotel staff provided registration books with verbiage stating a maximum stay of 28 days with a return to the property required a minimum of two or four days*
 - *Staff indicated they had a resident who had been there as a "good guest" for 3 years, but they had been to the constable to gain evictions for some others*
 - *BL Staff explained again that the license does not allow for extended stay*

Violations found:

- LVMC 6.02.370 (A)(1), (Unlawful to engage in any activity w/o a license) (**extended stay**),
 - LVMC 6.46.100 (failure to provide and keep adequate room records), and LVMC 6.46.150 (failure to provide and keep adequate public register)
 - Correction notice issued with a \$132 re-inspection fee for violations
- 2/21 Joint inspection w BL (Compliance & Audit), LVMPD-DTAC, Fire Prevention, B&S, and Code Enforcement, **owner was present**

Same Violations found:

- LVMC 6.46.100 (failure to provide and keep adequate room records) and LVMC 6.46.150 (failure to provide and keep adequate public register)
- Correction notice issued for a \$500 Civil fine and a \$132 re-inspection fee for violations



Business Licensing Compliance

March 2024 Inspections and Events

- 3/5: BL Inspection – Violations found (no fines):
 - Employees living onsite – extended stay over 7 days (6.02370(A)(1))
 - Violation of 6.46.100 (Failure to maintain adequate room records)
- 3/6: CAO Disciplinary Complaint to Council to set hearing for today
- 3/7: LVMPD issued an emergency suspension 6.02.363– BL accompanied along with Neighborhood services
- 3/13: Joint inspection with LVMPD & BL – Violations found:
 - People observed living on premise more than 6 days (6.02.370(A)(1) - Separate License required for business activity)
 - Multiple people observed living on premise in violation of emergency suspension letter (6.02.363 – Violation of Emergency Order)
 - Notice of Violation Issued: Hand-delivered while owner was at City Hall
 - \$99 re-inspection fee assessed
 - \$500 Civil fine assessed (\$250 for each violation)



Business Licensing Compliance

March 2024 Inspections and Events Con't

- 3/14: Joint inspection with LVMPD & BL – Violations found:
 - Multiple people observed living on premise more than 6 days (6.02.370(A)(1) - Separate License required for business activity)
 - Multiple people observed living on premise in violation of emergency suspension letter (6.02.363 – Violation of Emergency Order)
 - Notice of Violation Issued: Emailed, and owner was informed via phone
 - \$132 re-inspection fee assessed
 - \$1000 Civil fine assessed (\$500 for each violation)
- 3/18: Joint inspection with LVMPD & BL:
 - No apparent Violations observed
- 3/19: Joint inspection with LVMPD & BL:
 - No apparent violations observed – Morning inspection
 - Afternoon visit BL team observation only – *Activity happening but could not confirm operating/living onsite*



Room Tax Findings

- A room tax audit of the books and records, covering the period from January 1, 2023, through December 31, 2023, was conducted by an auditor and completed on March 7, 2024.
- The audit revealed that room tax was not assessed as a separate add-on charge for all stays under 31 days.
- As a result, all amounts received from guests are deemed reportable, leading to an underpayment of license fees during this period.
- A balance due and payable to the City in the total amount of **\$8,798.61** has been identified as a result of this audit.



LVMPD

- Lt. Kommel-Bernstein is here to take you through events that LVMPD has documented that led them to the emergency suspension



Business Licensing Recommendations

Staff recommends permanent revocation.



Business Licensing Recommendations

Otherwise:

1. The business shall comply with all codes, laws, statues, ordinances and other applicable requirements and shall promptly remedy deficiencies or non-compliances.
2. All cash transactions are prohibited for lodging rentals.
3. All guests, visitors, and staff must have a valid government issued photo identification in their possession when at the property.
4. A copy of the photo identification for all guests and visitors must be retained and attached to the room registration forms.
5. The business must have and maintain adequate/sufficient lighting on the exterior of the buildings to deter criminal activity.
6. The business must have and maintain security cameras that provide sufficient coverage of all interior common areas and all exterior areas.
7. Additional security cameras shall provide coverage of side gate, the back alley, and all entrances/exit areas.
8. Must maintain a retention schedule of thirty (30) days for all security camera footage.
9. A City and State licensed security company (approved under NRS 648), must be contracted to provide security services at all times. At least one security person must be monitoring the security cameras and a second security person shall roam throughout the interior and exterior of the property at all times.
10. Any arrests, citations or police calls for service initiated by the business must be reported to Business Licensing within 48 hours of incident.
11. The Director may place the licensee on the next available agenda for City Council disciplinary action if there are violations of any condition the license, requirement of LVMC 6.02.330 through 6.02.350, or other local, State or Federal laws or regulations not covered by the provisions of LVMC 6.02.330 through 6.02.350.
12. Upon the discretion of the Las Vegas Metropolitan Police Department, an emergency closure may be enacted upon for violations of conditions.
13. Surveillance footage shall be made available upon request to the Las Vegas Metropolitan Police Department and the City of Las Vegas Business Licensing Division.





Significant Events

LAS VEGAS METROPOLITAN POLICE DEPARTMENT
Sheriff Kevin McMahon

Details:

February 11, 2024 - Murder

- Officers located a male adult on the second-floor bleeding from his abdomen.
- Crime scene was located where a trail of blood was discovered coming directly from the bottom of the stairs of the Travelers entrance leading to where the victim was located.
- Cameras show a male step over the victim, obtain a mop and bucket, and began mopping the blood away in real time disposing a scene before officers were able to arrive and determine the nature of the crime.
- Officers later located a suspect matching the description of the suspect where he subsequently confessed to committing the stabbing
- Witnesses said the suspect was a drug dealer at the Travelers before being arrested.



Significant Events

LAS VEGAS METROPOLITAN POLICE DEPARTMENT
Sheriff Kevin McMahon

January 24, 2024, Battery w/ Deadly Weapon (stabbing)

Details:

- Utah and 3rd (cross streets for Travelers Bed and Breakfast)
- Victim was staying at the Travelers.
- Victim was on the south end of the entrance of the hotel
- Suspect accused him of stealing from him.
- Suspect pulled folding pocketknife out and stabbed the victim in the left upper arm
- Suspect fled and case still open

Event LLV240100082401



Significant Events

LAS VEGAS METROPOLITAN POLICE DEPARTMENT
Sheriff Kevin McMahon

October 22, 2023 - Homicide

Details:

- Shooting at the intersection of 3rd and Utah (Cross street of Travelers Bed and Breakfast Inn)
- Body of the victim on pavement with gunshot wounds to the head and neck area (pronounced deceased on scene)
- Surveillance video shows the suspect fleeing the area
- Victim was a known drug dealer
- Detectives located video showing the same suspect entering homicide victim's room at Travelers 4 days prior to the shooting. The suspect was with another male armed with a firearm. (incident not reported to police)

Event LLV231000075464



Significant Events

LAS VEGAS METROPOLITAN POLICE DEPARTMENT
Sheriff Kevin McMahon

June 3, 2023 – Battery w/ Deadly Weapon (Shooting):

Details:

- Located victim with a gunshot wound to his buttock
- Witnesses said suspects got in altercation at the entrance of the Traveler's Inn (started inside and continued at the entrance)
- Victim was inside the Travelers Inn to get a room when he was approached by two suspects
- Able to pull footage from businesses surrounding the Travelers, but the Travelers had limited viewing of the altercation that occurred

Event LLV230600013371



Search Warrants

LAS VEGAS METROPOLITAN POLICE DEPARTMENT
Sheriff Kevin McMahon

June 1, 2023 – Narcotics Search Warrant

20.1 gross grams fentanyl

19.7 gross grams meth

8.9 gross grams “crack” cocaine

3.6 gross grams heroin

\$622 US Currency

**Officers also located a substantial amount of credit cards and identification cards not in the suspects name (fraud)*

Event# LLV230600020214





Search Warrants

LAS VEGAS METROPOLITAN POLICE DEPARTMENT
Sheriff Kevin McMahon

October 10, 2023 - Narcotics Search Warrant

- DTAC Flex Officers located a male selling narcotics at the Travelers (lived in North Las Vegas)
- Suspect cell phone had conversations with Travelers resident

16.2 Gross Grams meth
13.4 Gross Grams Fentanyl Powder
12.5 Gross Grams Fentanyl Pills
0.7 Gross grams "crack" cocaine

\$546 in US Currency

2 Firearms

Event# 231000091357





Search Warrants

LAS VEGAS METROPOLITAN POLICE DEPARTMENT
Sheriff Kevin McMahon

December 22, 2023 – Narcotics Search Warrant

37.7 Gross Grams Marijuana

1.7 Gross Grams Purported Fentanyl Powder

“M-30_ Purported Fentanyl Pill”

0.1 Net Grams ODV Positive Methamphetamine

Clonazepam Pills

\$93.00 in US Currency

Suspect closed and locked gate to prevent SWAT access to property

Locked gate during SWAT arrival



Event# LLV231200074793



LAS VEGAS METROPOLITAN POLICE DEPARTMENT
Sheriff Kevin McMahon

Repeat offender (previous slide):

28.6 Grams of Methamphetamine

6.3 Grams of Cocaine

6.2 Grams of Fentanyl

11.1 Grams of Heroin

5.0 Grams of MDMA

37.3 Grams of Marijuana

\$650 US Currency Recovered



Overdose Calls

LAS VEGAS METROPOLITAN POLICE DEPARTMENT
Sheriff Kevin McMahon

January 1- March 7

7 known events with LVMPD response

Narcotic related overdoses

Only events from LVMPD dispatch

Does not include Las Vegas Fire/Rescue responses



Contact with Owner

LAS VEGAS METROPOLITAN POLICE DEPARTMENT
Sheriff Kevin McMahon

- March 2023: Chronic nuisance letter
- April 2023: Chronic nuisance letter
- February 2024: Chronic nuisance letter served (in person to owner)



Calls for Service Data

LAS VEGAS METROPOLITAN POLICE DEPARTMENT
Sheriff Kevin McMahon

August 1, 2023 – March 18, 2024

- 245 CAD Events
- 102 Calls for service
 - 74 Officer initiated stops
 - 10 vehicle stops
 - 64 person stops
- 69 Investigative follow up or directed patrol calls

**1502 S Las Vegas Blvd or within 100 feet of property line*