

Wes Duncan Sparks City Attorney

September 24, 2025

SHANGHAI SPA Attn: Joel Hightower Sr. 2305 Glendale Ave, #10 Sparks, NV 89431

Business License Number: S081074A-LIC

Re: Notice of Revocation of City of Sparks Business License

Dear Mr. Hightower:

The purpose of this letter is to inform you that the City of Sparks is revoking your Business License (S081074A-LIC) pursuant to Title 5 of the Sparks Municipal Code ("SMC") for alleged illegal activity occurring in your business.

Pursuant to SMC 5.65.140, the revocation of business licenses for Massage Services is governed by SMC 5.16.020. This revocation of your Business License (S081074A-LIC) is based upon SMC 5.16.020(B)(3) (a "violation of the provisions of the Sparks Municipal Code [or] the Nevada Revised Statute"), and SMC 5.16.020(B)(4) ("[a]ny act or omission by the licensee or his employees or agents related to the operation of the business which poses a threat to the public health, safety or welfare").

Specifically, it has been established by the regional Human Exploitation and Trafficking ("HEAT") detectives unit that SHANGHAI SPA, the business operated pursuant to your Business License (S081074A-LIC), is operating as an illicit massage business as a front to an illegal brothel providing sexual services for money.

Specifically, the HEAT Unit began an investigation into SHANGHAI SPA in June of 2025 after discovering this business on a prostitution advertisement website, which listed this business with its address, business phone number, and sexually explicit photos and language. The HEAT Unit then conducted a search of SHANGHA SPA's business phone number for other prostitution advertisements, which yielded 237 advertisements on several prostitution websites (that number includes several reposted advertisements). The first advertisement was posted on December 21, 2017, and the most recent of which was posted on September 3, 2025 (as of September 5, 2025). The HEAT Unit then conducted a search of an online review platform for sex purchasers

("johns"). This business has received 21 pages of reviews and ratings for sexual services from various johns.

In July of 2025, the HEAT Unit conducted several days of surveillance on SHANGHAI SPA and observed numerous customers enter the business for varying amounts of time. The Detectives noted that the front of the business and its windows are completely covered and there were no female patrons. The Detectives made phone call inquiries to the business, wherein a female Detective was denied an appointment, but one minute later a male Detective was given a time to come in. The HEAT Unit conducted interviews with the male patrons after they exited your business, and confirmed that sexual acts occurred in exchange for money. For example, one john admitted to paying an additional \$200 during his massage for sexual intercourse with the female worker. Two other johns stated that during their massage, the female worker solicited oral sexual intercourse, but they did not have the money that was required, so the sex act was not completed.

This conduct is in violation of numerous Sparks Municipal Code sections and Nevada Revised Statutes ("NRS"), including but not limited to SMC 5.65.110, SMC Chapter 9.24, and NRS 201.295–201.440. Based upon the HEAT Unit's investigation into SHANGHAI SPA, it is apparent that the operations conducted at your business are in violation of SMC, NRS, and pose a threat to the public health, safety, and welfare of the citizens of the City of Sparks. Furthermore, this activity will not be tolerated by Sparks City Attorney's Office or the City of Sparks.

Per SMC 5.16.020(C), this revocation of your Business License (S081074A-LIC) is effective upon posting of this Notice of Revocation at your business and by mailing of this Notice of Revocation via certified mail. In other words, you must cease operation of your business immediately and follow the law in accordance with Sparks Municipal Code.

Be aware that the City of Sparks and the HEAT Unit are aware of your other related business, the Lotus Massage located at 323 E. Moana Lane in the City of Reno. Reno business licensing and code enforcement will be contacted in relation to these findings.

Sincerely,

Wes Duncan

Sparks City Attorney

Christine Barton

Business License Specialist

Phristine Barton