




CITY OF SANTA FE

Memorandum

Date: October 27, 2025

To: Finance Committee

From: Maggie Moore, Assistant Land Use Director *MM*

Via: Andrea Phillips, Deputy City Manager 
Elisa Montoya, Community Development Director
Heather Lamboy, Planning and Land Use Director

RE: Request for Issuance of a Cease-and-Desist Order to close Chinese Massage LLC, 4985 Airport Road, Unit B, Yufang Bao, Operator/Owner, (571)392-0740. Code Enforcement Case# 2025-4553, Violation of SFCC 18-1.7 *Notice of violation; penalty*, operating without a business license and in a manner contrary to the public welfare. (Maggie Moore, Assistant Land Use Director, mrmoores@santafenm.gov)

EXECUTIVE SUMMARY:

On March 19th, 2025, members of the City's Enforcement Division ("Staff") inspected 4985 Airport Road, Suite B (the "Property"). The main entrance was locked, but Staff were welcomed into the property by Fengying Wu, the then-owner and operator of Fengying Spa, LLC, operating as "East Asian Massage Spa". There were no other individuals present, and Ms. Wu is not a licensed massage therapist. Staff informed Ms. Wu of the requirements for a valid business license, that the license must be issued to the Property, that licensed massage therapists must be employed, that primary entrances and exits must remain unlocked when the business is open, and directed her to apply online for a business license.

At the time of the March 19th inspection, Ms. Wu had an "Out of Jurisdiction" business license addressed to 3620 Wyoming Blvd NE, Albuquerque, but no business license to operate at 4985 Airport Road Unit B. An out-of-jurisdiction license allows contractors or other professionals to conduct business in the City of Santa Fe, without a "brick and mortar" location, allowing electricians or plumbers from outside the city limits to perform work in Santa Fe without a physical office location. Any business operating out of a physical location within the city limits must obtain a business license for that location.

On March 27, 2025, Ms. Wu applied for a business license for the Property, submitted a copy of a New Mexico Taxation and Revenue Department Registration Certificate for Fengying Spa (GRT#03589516000), and included the New Mexico driver's license and massage therapy license for Ms. Jane Oberg as part of her application. Staff contacted Ms. Oberg, who resides in Albuquerque, to confirm that she intended to perform massage therapy at the Property. Ms. Oberg told Staff that she had no intention of working at the Property as a massage therapist, but had given her driver's license and massage therapy license to Ms. Wu because she was Ms. Oberg's acquaintance and insurance client. Staff placed the application on hold pending further investigation and revisions by the applicant. The applicant took no further action to correct the deficiencies in the application.

City business license records indicate that several massage parlors have operated at the Property under various names and ownership since 2015, including "Xu Xu Spa" owned by Guifan Xu; "Lui Spa" operated by Fengying Wu; "Fengying Spa, LLC", operated by Fengying Wu and Qiumin Liu; "ShanShan Lui, LLC, operated by Bob Healey Jr and Qiumin Lui. While the property still does not have a business license, Staff understands the current owner/operator of the business is Ms. Yufang Bao, who registered Chinese Massage LLC on June 19, 2025, with the Secretary of State's Office.

On June 17, 2025, Staff conducted a follow-up inspection of the Property. Upon the initial approach in a City vehicle, staff witnessed that the "open" lights were on, but by the time they approached the front door on foot, the lights had been turned off, the main entrance was locked, and no one answered the door. Staff went around to the rear of the property and interacted with a tenant of 4985 Airport Rd Unit A, who shared concerns about suspicious activity at the Property related to the massage business. This same individual wrote an email to Staff on August 2, 2025, to report continued activity at the Property, with cars visiting the location at unusual hours and inappropriate and suspicious activity.

On August 29, 2025, Vidal Garcia issued a violation notice (see Code Case# 2025-4553), which was posted on the property and sent via certified mail to the business owner (Yufang Bao) and the property owners (L-Fam Partnership LLC Tim Layden and William and Elizabeth Layden, Santa Fe, NM). The notices established a compliance date of October 6th and Finance Committee hearing date of October 27, 2025.

Since the notice was issued the city has not received an application from Ms. Bao or any other person associated with the property. Additionally, evidence gathered by the Department indicates that the Property is operating in a manner contrary to the public welfare (see Online Advertisements).

Per SFCC 18-1.8 *Enforcement; hearing; cease and desist order*; staff requests that the Finance Committee issue a cease and desist order closing the business, Chinese Massage, LLC at 4985 Airport Road, Yufang Bao, owner/operator.

BACKGROUND:

Illicit massage businesses (IMBs) commonly known as “massage parlors” have become ubiquitous across the country, within the state of New Mexico, and in our community. Research finds an estimated 9,000-plus of these businesses operate in every state in the country, with earnings totaling nearly \$2.5 billion per year.¹ Staff research of business license records and online advertising indicates there are as many as twenty (20) IMBs operating within the city of Santa Fe, some with valid business licenses, expired licenses or without the requisite business license. The State of New Mexico, through the Massage Therapy Board oversees the practice of individuals who use the title of massage therapist or otherwise represent themselves to be massage therapists, and massage therapy schools. The State and the Board do not regulate businesses that use the title of massage or otherwise represent themselves as massage businesses.

Acts of prostitution have a long history of concealing themselves behind the label of massage. While there may be some individuals who choose to sell sex under the guise of massage therapy, evidence suggests that thousands of women engaging in commercial sex in illicit massage businesses are victims of human trafficking. Corporate secrecy laws that obscure ownership make it nearly impossible to identify the organized crime networks and traffickers behind these operations². Traditional law enforcement approaches are resource intensive and often focus on the women engaged in these illicit acts, further victimizing them, while the criminal networks and traffickers evade accountability. Furthermore, the ubiquity of IMBs degrades the integrity of legitimate massage therapists, spas and wellness businesses.

Many jurisdictions have found success in closing IMBs through targeted business licensing requirements³, particularly in those jurisdictions which require all businesses to obtain a license, as Santa Fe does. Successful ordinances target the easily observable characteristics that distinguish an illicit massage business from a legitimate massage therapy business. Trevor Vaughn, an expert in identifying and preventing IMBs, has observed several factors in the business models of legitimate massage therapy businesses and illicit sex and human trafficking businesses (see Table 1).

Table 1. Illicit and Legitimate Massage Business Models

Illicit Sex and Human Trafficking Business	Legitimate Massage Therapy Business
Cheat requirements to look legit	Professional training, education and license
Advertise to people looking for sex	Advertise for health purposes
Unlicensed personnel	Licensed Massage Therapists
No records of treatments or clients	Regular business recordkeeping
Long hours, often living on site	Normal business hours and operations
Locked doors to conceal illicit activities	Professional massage practices

¹ Keyhan, Rochelle et al, “Trafficking in Illicit Massage Businesses.” Polaris, (January 17, 2018)

² “Hidden in Plain Sight: How Corporate Secrecy Facilitates Human Trafficking in Illicit Massage Parlors.” Polaris (April 1, 2018)

³ “Successful Massage Ordinance Factors.” The Network, (September, 2021)

Advertise at lower rates	Rates match industry standard
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The Department is currently engaged with the City Attorney's Office to draft a new massage facility ordinance to prevent IMBs from opening via a thorough application process, and regulating those characteristics and behaviors associated with IMBs. In Aurora, Colorado, multiple IMBs predated the passage of its ordinance in May 2018. By allowing the city to close businesses for committing certain violations, such as operating without a license, Aurora closed 18 IMBs within a year after its regulations went into effect.

The Department intends to bring forward the legislation for adoption by the end of the calendar year and will continue targeted inspections and enforcement actions against illicit massage businesses operating within the city.


ATTACHMENTS:

Notice of Violation Case #2025-4553

Santa Fe Business License #232976

New Mexico Massage Therapy License No. MT7765 – Jane Oberg

Online Advertisements – 4985 Airport Road

Signature: 
ANDREA PHILLIPS (Oct 24, 2025 15:55:03 MDT)
Email: akphillips@santafenm.gov

Signature:
Email:

Signature:
Email:

4985 Airport_Finance Committee Memo

Interim Agreement Report






2025-10-24

Created:	2025-10-24
By:	MARGARET MOORE (mmoore@santafenm.gov)
Status:	Out for Signature
Transaction ID:	CBJCHBCAABAAZoWtnt46w5PPaYBY5Xw_G8CHPTJfFeVY

Agreement History

Agreement history is the list of the events that have impacted the status of the agreement prior to the final signature. A final audit report will be generated when the agreement is complete.

"4985 Airport_Finance Committee Memo" History

-  Document created by MARGARET MOORE (mmoore@santafenm.gov)
2025-10-24 - 8:40:38 PM GMT- IP address: 63.232.20.2
-  Document emailed to ANDREA PHILLIPS (akphillips@santafenm.gov) for signature
2025-10-24 - 8:41:18 PM GMT
-  Email viewed by ANDREA PHILLIPS (akphillips@santafenm.gov)
2025-10-24 - 8:42:04 PM GMT- IP address: 174.240.21.143
-  Document e-signed by ANDREA PHILLIPS (akphillips@santafenm.gov)
Signature Date: 2025-10-24 - 9:55:03 PM GMT - Time Source: server- IP address: 174.240.21.143
-  Document emailed to edmontoya1@santafenm.gov for signature
2025-10-24 - 9:55:05 PM GMT