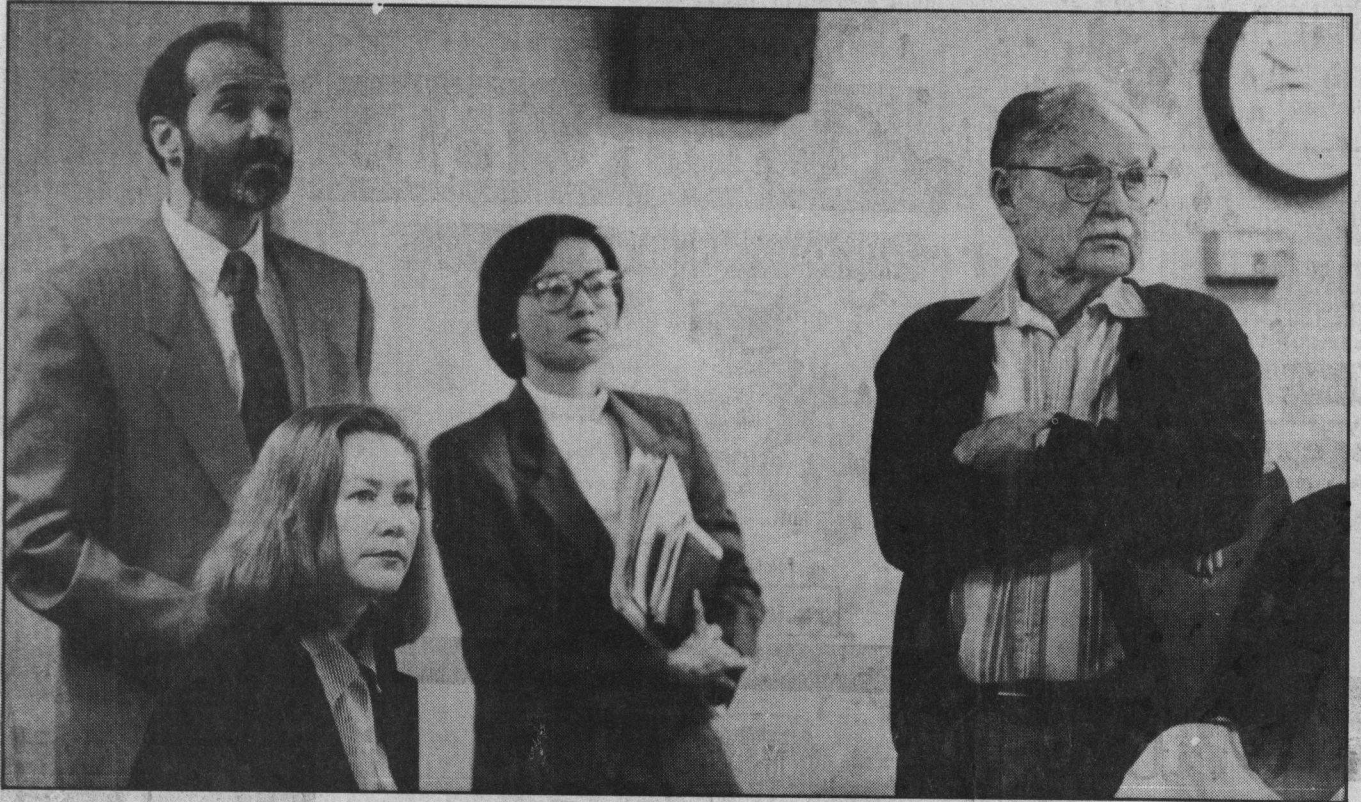


'All we wanted was to stop the illegal activity. ...'



Dan Covro/Sentinel

Valerie Knight, lower left, and William Grace, right, huddle with defense lawyer Mitchell Page, left, and Assistant District Attorney Marcia Jue-Pelio.

Deal made in brothel case

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Massage parlor to reopen; court bans further illegal activity

By **MAY WONG**
Sentinel staff writer

SANTA CRUZ — Owners of a Soquel massage parlor that authorities say was a house of prostitution agreed Wednesday to abide by a court order banning any illegal activity on the premises.

Without argument, Valerie Knight and William E. Grace accepted a preliminary civil injunction that the District Attorney's Office had sought to shut down the reputed brothel at 2541 South Rodeo Gulch Road. The preliminary order, issued by Municipal Court Judge Robert Attack, will remain effective until a final ruling is made at a hearing to be scheduled later.

At that hearing, the judge will decide whether or not the business called Soquel Lomee should be declared a public nuisance and shut down.

In the meantime, the preliminary

court order allows the massage parlor to be reopened on the condition that no illicit activity occur there. It also requires that signs be posted at the business telling customers about the court order prohibiting prostitution.

"All we wanted was to stop the illegal activity that was going on there, and that's what this (order) achieves for now," said Assistant District Attorney Marcia Jue-Pelio.

Attorneys for Knight and Grace refused to comment about whether or not any prostitution had been taking place at the parlor, but they said Wednesday's court order was a "reasonable temporary solution" to the case.

Grace, who co-owns the property with Knight, has maintained he was not involved in the massage parlor business, which is owned by Knight.

Knight, who lives in Santa Cruz, declined comment. Her attorney, Mitchell Page, said he did not know whether Knight, 49, planned to open up for business again.

The massage parlor has been closed since sheriff's deputies raided the place Jan. 10. The sting operation led to 15 men being cited on suspicion of soliciting prostitution.

Deputies alleged the parlor, located in a nondescript, two-story cinder-block building in an industrial area near the end of Research Park Road, catered to upscale clientele.

Grace, a retired 73-year-old firefighter and local conservative political activist, was arrested that day on suspicion of pimping and interfering with police. Criminal charges have not been filed against either Grace or Knight yet. District Attorney Art Danner said an investigation is continuing.