



LOBBYIST REGISTRAR'S REPORT ACTION REQUIRED

Report on an Inquiry: Lobbying at the Mayor's Ball for the Arts and the Thompson Hotel

Date:	October 1, 2013
To:	City Council
From:	Lobbyist Registrar
Wards:	All
Reference Number:	

SUMMARY

In October 2012, media reported that two councillors left the Mayor's Ball for the Arts (the Ball) in the company of Sussex Strategy Group consultant lobbyists Jamie Besner and Kim Wright, and Nick Kouvalis of Campaign Research. It was reported that the group went to the Thompson Hotel (the Hotel). Mr. Besner and Ms Wright reported meetings with councillors, including those named in the media report, on the date of the Ball, in their registrations to lobby on behalf of MGM Resorts International (MGM) regarding the subject of "Potential Gaming Facilities".

The Ball was a charitable event. Lobbying at a charitable or other public event is prohibited by § 140-42C of the Lobbying By-law. In addition, Subsection 140-45 requires lobbyists to avoid exerting improper influence over public office holders, including avoiding "both the deed and the appearance of impropriety". The Registrar conducted an inquiry to determine if lobbying occurred at the Ball, or if improper influence had been exerted over the councillors at the ball or afterwards at the Hotel.

The Registrar found that Mr. Besner and Mr. Kouvalis did not lobby public office holders at the Ball or the Hotel. Mr. Besner reported in his registrations to lobby on behalf of MGM that he met with councillors regarding the subject matter of casinos on October 15, 2012, the date of the Ball. However, the Registrar found on the evidence of their statements through counsel and the statements of three councillors who were interviewed that Mr. Besner and Mr. Kouvalis only had casual conversations with them. Casual conversations at a charitable event that do not materially advance a lobbying matter are exempt from registration under § 140-5J. Since no registrable lobbying occurred, Mr. Besner's registration contained inaccurate information.

The Registrar found that the evidence did not support a finding of improper influence or impropriety by Mr. Besner or Mr. Kouvalis in their communications with councillors at the Ball or the Hotel. The communications were not inappropriate, and did not place public office holders in a conflict of interest or in breach of their code of conduct. Mr. Besner did not bestow any improper benefit or exert improper influence on the councillors.

The Registrar found that Ms Wright was not present at the Hotel. The Registrar also found that Ms Wright did not lobby two councillors whom she reported she met on October 15, 2012 in her registration to lobby on behalf of MGM. However, Ms Wright reported a meeting with a third councillor on October 15, 2012. The Registrar found that Ms Wright conducted lobbying activities at the Ball by asking the councillor to meet with her clients. The request and subsequent conversation with the councillor about whether the councillor would meet with Ms Wright's clients breached § 140-42C, which prohibits lobbying activities at a charitable event.

In the interest of transparency and accuracy of the information in the registry, it was appropriate to permit the correction of the information in the registrations that related to reports of lobbying that did not occur. The Registrar permitted Mr. Besner and Ms Wright to correct their returns to remove reports of lobbying that did not occur.

The Registrar found that it would not be appropriate to permit the removal of the report of a meeting that breached § 140-42C from the registry. Since the registration was non-compliant on its face and reflected a breach of § 140-42C, the Lobbyist Registrar suspended the registration for three months and requested Ms Wright to attend a training session on the Lobbying By-law.

RECOMMENDATIONS

The Lobbyist Registrar recommends that:

1. City Council receive the findings in the attached report.

Financial Impact

This report has no financial impact.

DECISION HISTORY

The Toronto Municipal Code, Lobbying, § 3-7B, provides that the Lobbyist Registrar reports directly to Council on investigations and inquiries conducted by her.

CONTACT

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SIGNATURE

Linda L. Gehrke, Lobbyist Registrar

ATTACHMENTS

Report to Council on an Inquiry: Lobbying at the Mayor's Ball for the Arts and the Thompson Hotel on October 15, 2012