



LOBBYIST REGISTRAR'S REPORT ACTION REQUIRED

Supplementary Report: Inquiry into Contributions by Lobbyists to a Fundraiser for a Member of Council

Date:	July 6, 2015
To:	City Council
From:	Lobbyist Registrar
Wards:	All
Reference Number:	

SUMMARY

This report supplements CC8.5, the Lobbyist Registrar's Report on an Inquiry into Contributions by Lobbyists to a Fundraiser for a Member of Council. On July 2, 2015, the Lobbyist Registrar received a letter from counsel for Medallion Corporation, requesting that she excise certain statements in CC8.5. The Registrar has declined the request to excise statements from her report. Her reasons follow.

Financial Impact

This report has no financial impact.

RECOMMENDATIONS

The Lobbyist Registrar recommends that:

1. City Council receive this report for information.

DECISION HISTORY

The *City of Toronto Act, 2006*, s. 169 and Toronto Municipal Code, § 3-7B, provide that the Lobbyist Registrar may report to City Council on inquiries conducted by her, and in the report may disclose such matters as in the Registrar's opinion are necessary for the purposes of the report.

COMMENTS

The Lobbyist Registrar received a letter from Medallion’s counsel dated July 2, 2015, requesting that the Registrar excise statements which Medallion alleged to be “inaccurate”. A copy of the letter from counsel is attached to this Addendum as APPENDIX A. In the letter, counsel raised the issue of a cheque for \$2034. A cheque for \$2034 dated April 25, 2013 from Medallion Corporation to the event organizer was the subject of the Notice of Inquiry sent by the Office of the Lobbyist Registrar Inquiries and Investigations Counsel (OLR counsel) on November 24, 2014, attached as APPENDIX B. The Notice of Inquiry alleged that the cheque for \$2034 was a contribution to the fundraiser, and also attached a summons requesting the following information:

- All documents, correspondence, cancelled cheques, invoices, tickets, invitation;
- letters, photographs, electronic recordings and videos, and all email correspondence with staff members of Councillor Giorgio Mammoliti’s office; and
- other attendees and/or other email communications in Medallion’s possession or control in connection with an event held in honour of Giorgio Mammoliti, a member of Council for the City of Toronto, on May 22, 2013.

On December 1, 2014, Mr. Paskowitz replied to the Notice of Inquiry. Attached as APPENDIX C is a copy of the letter from Mr. Paskowitz. In it, he stated in part:

Further to your letter of November 24, 2014 and my voice mail of earlier today, we wish to advise you that the \$2,034 cheque issued by Medallion Corporation to [the event organizer] was in payment for an invoice for services rendered in the amount of \$1,800 plus HST. [The event organizer] catered an event held at a Medallion Corporation property at 45 Lisgar St.

Medallion did not purchase tickets for or attend the May 22, 2013 event hosted by [the event organizer]. (emphasis added)

On January 15, 2015, OLR counsel requested that Mr. Paskowitz provide any supporting documentation regarding the event that the event organizer catered at 45 Lisgar Street (including but not limited to: invoices, correspondence, tickets, and invitation letters). Mr. Paskowitz responded on January 16, 2015 with a flyer for a wine and cheese event held at 45 Lisgar Street on December 5, 2012.

On January 20, 2015, in a series of emails OLR counsel asked for more supporting documentation for the December 5, 2012 event. Mr. Paskowitz provided no further documentation, but through his Director of Property Management, provided the name of the individual that purportedly organized the event for Medallion.

On February 25, 2015, the OLR issued a summons to the event organizer for all documents related to events held in 2012 for which the event organizer provided services of any kind to Medallion.

On March 2, 2015, the OLR issued a summons to a former Medallion employee that was held out as the organizer of the December 5, 2012 event.

On March 6, 2015, the event organizer provided copies of documents related to events at which the event organizer provided services of any kind to Medallion, including an invoice for \$7500 for an event described as “December 18th 2012 Community Promo Event”. A copy of the invoice is attached as APPENDIX D.

On March 11, 2015, OLR counsel made a request, under the original summons for information issued to the TD bank, for additional cheques of interest. In response, the OLR received a copy of a cheque dated June 28, 2013 in the amount of \$7500 from Medallion Developments Inc. to the event organizer. A copy of the cheque is attached as APPENDIX E.

On March 11, 2015, OLR counsel interviewed the former employee under oath. The employee stated that the cheque for \$2034 did not relate to the December 5, 2012 event but to an April 20, 2013 event.

On March 30, 2015, the OLR issued a second summons to produce documents related to the April 20, 2013 event to Mr. Paskowitz.

On April 2, 2015, Mr. Paskowitz provided three documents related to the April 20, 2013 event, including an invoice from the event organizer for the amount of \$2034. The three documents are attached as APPENDIX F.

On April 17, 2015, the OLR issued a summons to appear and give evidence under oath was issued to Mr. Paskowitz, Nathan Bleeman and Peter Grater. A letter of inquiry was also issued to Mr. Bleeman.

On May 1, 2015, Kim Mullin advised that she was counsel for Medallion.

On May 4, 2015, OLR counsel provided Ms Mullin with a copy of the information to be put to her clients, specifically:

- (a) four cheques from Medallion payable to the event organizer;
- (b) a copy of the invoices that correspond to the cheques, including the invoice for two different amounts for the December 18, 2012 event, \$7500 and \$5000; and
- (c) a copy of the email correspondence related to Medallion and the May 22, 2013 event.

On May 15, 2015, Messrs Paskowitz, Bleeman and Grater were interviewed by OLR counsel in the presence of Ms Mullin.

On May 20, 2015, Ms Mullin was provided with a copy of the Bleeman and Paskowitz interview transcripts as well as a copy of the Lobbyist Registrar's proposed findings and disposition. She was given until June 12, 2015 to respond.

On June 4, 2015, Ms Mullin acknowledged receipt of the transcripts and requests and a minor change to the statement of Mr. Bleeman was made in response.

On July 2, 2015 a link to the Registrar's report on this inquiry was sent to Ms Mullin.

On July 2, 2015, Ms Mullin sent a letter objecting to certain comments in the report, which she requested be excised, as follows:

Medallion initially provided a different explanation for the cheque, but later admitted that the cheque was in response to the fundraiser.

However, it is a matter of concern that Medallion initially provided an alternate explanation for the cheque,

The statements in the report quoted above are not incorrect. It is clear from the chronology of the inquiry set out above that Medallion has sought to mislead the OLR and to conceal their contribution, initially by stating that the \$2034 cheque was for a different event and that Medallion did not purchase tickets for or attend the event; and by failing to provide the invoice and cheque for \$7500 that were in fact related to the event. It was not until six months later, when Medallion officials were summonsed to an interview and confronted with the evidence of the \$7500 contribution, that they admitted to contributing to the fundraiser.

Ms Mullin alleged in her July 2, 2015 letter that Medallion was not given notice of the statements in my report and has been denied procedural fairness. This is not the case. Her clients received the Notice of Inquiry in November 2014 full disclosure throughout the inquiry process, and notice of my proposal findings and disposition.

I am therefore declining Ms Mullin's request to excise statements from my report.

CONTACT

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SIGNATURE

Linda L. Gehrke, Lobbyist Registrar

ATTACHMENTS

Appendix A – Letter from Medallion’s counsel dated July 2, 2015

Appendix B – Notice of Inquiry letter sent by OLR counsel on November 24, 2014

Appendix C – Letter from Mr. Paskowitz dated December 1, 2014

Appendix D – A copy of invoice for \$7500 for an event described as “December 18th 2012 Community Promo Event”

Appendix E – A copy of a cheque dated June 28, 2013 in the amount of \$7500 from Medallion Developments Inc. to the event organizer

Appendix F – Three documents provided by Mr. Paskowitz on April 2, 2015, which are related to the April 20, 2013 event