

Report on an alleged *Municipal Conflict of Interest Act* violation by a member of a Local Board

Paul Muldoon
Integrity Commissioner

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ICT

OFFICE OF THE
INTEGRITY
COMMISSIONER
TORONTO

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Introduction and Summary

1. Among its core responsibilities¹, the Integrity Commissioner Toronto (ICT) is tasked with receiving and investigating *Municipal Conflict of Interest Act* (MCIA) applications. This report describes an ICT investigation of a Local Board Member (Respondent) under the MCIA, at the request of a member of the public (Applicant).²
2. My report outlines the process the ICT followed in carrying out the inquiry, describes the relevant legislation, sets out the evidence I considered and the principles I applied in making my findings and recommendations.
3. The Applicant filed his application with my Office on June 26, 2025, alleging the Respondent violated the *MCIA* in his capacity as a board member of the Weston Village Business Improvement Area (WVBIA) by not declaring a conflict of interest regarding a proposed performing arts facility in which the Applicant alleged the Respondent would receive a financial benefit.
4. The Respondent says he will not have any financial impact from the development or operation of a performing arts facility.
5. After conducting an Intake Review, I decided there were sufficient jurisdictional grounds to investigate the *MCIA* application. On July 29, 2025, I forwarded a Notice of Investigation with respect to the *MCIA* application. In the *MCIA* application, the Applicant alleges that the Respondent violated section 5 and 5.1 of the *MCIA*, namely, that he participated in a discussion and vote in a matter for which the Respondent has a pecuniary interest, and that the Respondent failed to file a written statement of pecuniary interest. On August 7, 2025, the Respondent filed submissions in response to the allegations.

¹ Along with providing ethical advice, policy guidance, and education to support accountable conduct by members of Toronto City Council and members of Toronto Local Boards. See Appendix A for a summary of the ICT mandate.

² Separately, another individual raised similar allegations about the Respondent in a complaint under the Code of Conduct for Members of Local Boards (Code of Conduct). As a result, the *MCIA* application and Code of Conduct complaint were investigated jointly under s. 29 of the ICT's Complaint and Application Procedures. However, because any findings of a Code of Conduct violation must be reported to the local board, this report does not include a Code of Conduct analysis. I will issue a separate report for the Code of Conduct complaint, if I find a violation.

6. I have an obligation under s. 160.1(17) of the *City of Toronto Act, 2006* to publish written reasons for MCI/A decisions. I do so by publishing decisions on the ICT website, and on CanLII.
7. I find the Respondent did not have a pecuniary interest in the matter before the Board and did not violate s. 5 or 5.1 of the *MCI/A*. As a result, I will not apply to a judge under s.8 of the *MCI/A*.

A. Context

8. This application relates to a development by Devron Developments at 13-21 John Street and 40 South Station Street (Devron development) in the Weston Village neighbourhood of Toronto. Originally proposed as a two-tower development, it has been approved as a single 42-storey tower. It will be a primarily residential building.
9. Weston Village is an area of rapid development. It is close to a transit station on the GO and UP rail corridor. When the Eglinton Crosstown Light Rapid Transit opens, the Mount Dennis station will also be near Weston Village. As a result, there are multiple condominiums being proposed and constructed in an area that previously did not have this kind of infrastructure or density.
10. The WVBIA Board is sometimes asked for, and sometimes offers, its support or opposition to various developments, or aspects of a proposed development project.
11. WVBIA Board members are volunteers and receive no pay.

B. Applicant's Allegations

12. On June 26, 2025, the Applicant, a former Chair of the WVBIA Board, alleged the Respondent violated the *MCI/A* in his capacity as a board member of the WVBIA. He alleged that the Respondent:
 - a. has a direct or indirect pecuniary interest in the outcome of the Devron development; and

- b. did not declare a conflict of interest and participated in debate and voting on an agenda item that came before the WVBIA Board at a meeting on June 3, 2025, on whether to write a letter opposing a proposed vehicle driveway onto John Street as part of the Devron development.
13. The Applicant alleges that the Respondent will receive a financial benefit from a theatre component connected with the Devron development as a Community Benefits Contribution. The Respondent is one of three directors of a registered charitable foundation that bears the Respondent's name (the Foundation). The Foundation's mandate is to support the creation of a theatre in Weston.
14. The Applicant alleges that the Respondent has a close relationship with Devron through his advocacy for a theatre space to be included as part of the development. The Applicant noted that, prior to the Respondent joining the WVBIA Board, he hosted a gathering at his home in October 2023 at which he requested the WVBIA support the concept of a theatre component in the Devron development.
15. The Respondent was appointed to the WVBIA as a designate representative of the BSaR Group, another developer in the Weston area, on February 19, 2025. The Applicant alleges that, at the March 12, 2025 WVBIA meeting, several board members raised concerns about the Respondent's involvement with the Devron development and associated theatre project. He alleges the Respondent acknowledged the connection between the Foundation's interest in a theatre and the Devron development site but said he was working directly with the City and assured the Board he would declare any conflicts of interest if they arose.
16. A WVBIA Board meeting was convened on June 3, 2025 to discuss sending a letter in opposition to a proposed parking entrance for the Devron development. The Applicant says he suggested the Respondent should recuse himself from this discussion, but the Respondent did not. The Board voted to receive the letter but not to send it to the City. He alleges the Board members were confused and influenced by the Respondent.

17. On June 4, 2025, the Etobicoke York Community Council considered the Devron development. The Applicant noted the Respondent attended this public meeting and made a deputation in support of the development.
18. The Applicant alleges that the Respondent has a pecuniary interest in the Devron development and should not have voted or otherwise participated in the June 3, 2025 vote on sending a letter related to the Devron development.

C. Respondent's Submissions

19. The Respondent says neither he nor the Foundation will have a pecuniary impact from the decision to build or not build a performing arts facility adjacent to the Devron development. He says the Foundation has no financial interest in the Devron development and will not operate the proposed facility. He says he did not declare a conflict of interest at the WVBA board because he does not believe he has one. He emphasized he is on the Board as a representative of the BSaR Group, not Devron.
20. The Respondent explained he is a retired, long-time resident of Weston who wants to bring a theatre to the community. To achieve that, he created and endowed the Foundation, a not-for-profit charitable foundation, for philanthropic and estate planning purposes. The Foundation has supported and will continue to support theatre and other initiatives in the Weston community regardless of whether a theatre is created in relation to the Devron development. For example, it is funding a small production in a local restaurant to introduce the community to the idea of theatre in Weston.
21. The City collects a Community Benefits Charge from certain new developments. It can be paid in cash or through in-kind contributions. The Respondent says he hoped Devron's Community Benefits Charge contribution could be in the form of land to be used for a theatre. He approached the Ward 5 York-South Weston Ward Councillor and suggested the idea of building a theatre on a parcel of land adjacent to the Devron development. This has become a real possibility as Devron has since proposed to sever land from the development for such a use. It has submitted a

proposal to “provide a conveyance of land at 36-38 South Station Street as an off-site in-kind CBC contribution. The intention would be for the lands to be developed as a future community cultural space and more specifically a performing arts centre.”³ The Respondent explains this would allow the City to lease the land to a not-for-profit theatre company that would build the theatre and provide programming.

22. The Respondent explained the Foundation has funded hiring a consultant to develop a business plan to present to the City. He says the Foundation will not be involved in the capital funding for the theatre, or in operating the theatre but plans to grant funds to whatever theatre company is given the lease, in order to support its operation for the first five years. He provided my Office with a copy of the business plan⁴ which he explained was submitted to the City’s Economic Development division the week of November 12, 2025. The business plan is consistent with the explanation he provided to my Office about the Foundation’s role.

23. The Respondent says he joined the WVBIA board as the delegate for BSaR Group because he had developed a positive relationship with them and other local developers as they appreciated his attempts to collaborate with developers to benefit the community. He does not have any financial connection to the company. He states the BSaR Group asked him to be their representative because they have a shared interest in improving the shopping experience on Weston Road and making it a more attractive main street.

24. Regarding the June 3, 2025 WVBIA board meeting, the Respondent says there was some discussion about a motion to present a letter on the Devron development to the community council, but there was no consensus. He agrees he voted with the majority of the board to not send the letter.

25. The Respondent agrees he made a deputation in support of the Devron development application the following day, June 4, 2025, at the Etobicoke York

³ [13-21 John Street and 40 South Station Street - Official Plan and Zoning By-law Amendment Application - Decision Report - Approval](#), at p. 14.

⁴ “South Station Performing Arts Centre; York South Weston Neighbourhood, Toronto; Business Plan Draft 1 – November 2025.

Community Council meeting. He identified himself as a Weston resident and not as a member of the WV BIA.

D. Applicable Law

26. The Applicant asked me to investigate whether the Respondent contravened sections 5 and 5.1 of the *MCIA*. These sections (with emphasis added) provide that:

5 (1) Where a member, either on his or her own behalf or while acting for, by, with or through another, has any pecuniary interest, direct or indirect, in any matter and is present at a meeting of the council or local board at which the matter is the subject of consideration, the member,

- (a) shall, prior to any consideration of the matter at the meeting, disclose the interest and the general nature thereof;
- (b) shall not take part in the discussion of, or vote on any question in respect of the matter; and
- (c) shall not attempt in any way whether before, during or after the meeting to influence the voting on any such question.

[...]

5.1 At a meeting at which a member discloses an interest under section 5, or as soon as possible afterwards, the member shall file a written statement of the interest and its general nature with the clerk of the municipality or the secretary of the committee or local board, as the case may be.

27. An indirect pecuniary interest is defined in the *MCIA* as follows:

2 For the purposes of this Act, a member has an indirect pecuniary interest in any matter in which the council or local board, as the case may be, is concerned, if,

(a) the member or his or her nominee,

(i) is a shareholder in, or a director or senior officer of, a corporation that does not offer its securities to the public,

[...]

(iii) is a member of a body,

that has a pecuniary interest in the matter; or

(b) the member is a partner of a person or is in the employment of a person or body that has a pecuniary interest in the matter.

28. The *MCIA* prohibits a board member from participating in discussions about, and voting on questions in relation to, matters in which the member has a direct or indirect pecuniary interest.
29. The *MCIA* does not define a pecuniary interest. The Court of Appeal has held that what constitutes a “pecuniary interest” under the *MCIA* is “not to be narrowly confined or limited to clear and very significant pecuniary interests” but includes “all pecuniary interests.”⁵
30. In other decisions, courts have found that a direct pecuniary interest under the *MCIA* refers to a situation where “the member could experience an immediate, in the sense of close, non-deviated or traceable financial or economic impact,” whether it is positive or negative.⁶ In the recent case of *Kehoe v Nix (Kehoe)*,⁷ a pecuniary interest under the *MCIA* was interpreted to mean a financial, monetary or economic interest.
31. In *Kehoe*, the Bruce Trail Conservancy was found to have a pecuniary interest in a motion before Council to allow a trail to be built on municipal land. The Bruce Trail Conservancy had a pecuniary interest because it placed pecuniary value on the right to use the land and would have considered purchasing it. Therefore, the Deputy Mayor, who was a member of the Bruce Trail Conservancy, automatically had an indirect pecuniary interest in the outcome of the motion and violated the *MCIA* by participating in discussions and voting on the motion.
32. The Court in *Kehoe* suggests that to determine whether an organization has received a pecuniary benefit when it acquires something from the municipality for free, one should ask whether, in other circumstances, the organization could have paid to acquire a similar benefit.

⁵ *Orangeville (Town) v. Dufferin (County)*, 2010 ONCA 83, at para. 30.

⁶ See: *Rivett v. Braid et al.*, 2018 ONSC 352, at para. 53; *Cooper et al. v. Wiancko et al.*, 2018 ONSC 342, at para. 63.

⁷ 2025 ONMIC 2, at para. 91.

E. Evidence

33. The Foundation is federally incorporated and is a registered charity. The Respondent is one of three directors of the Foundation. The Foundation's Articles of Incorporation state that its purpose is to receive and maintain funds to give to qualified theatre projects in Weston. The Foundation's website says it is committed to seeking out a not-for-profit theatre company to make a (yet to be built) Weston performing arts centre its new home.

34. In June 2025, Toronto City Council approved Official Plan and Zoning By-law amendments to permit the Devron development. This also allows Devron to convey the lands at 36-38 South Station Street to the City for a future community cultural space or other purpose.⁸

35. The Respondent says that, if a theatre is built:

- The Foundation will not provide capital funding for the construction of the theatre.
- The Foundation will not operate or be part of the theatre company that may eventually rent or use the space.
- The Foundation's funds have been, or are intended to be, used to:
 - Introduce the community to the idea of a local theatre;
 - Develop a business plan for the prospective theatre;
 - Advocate to the City for the proposed use of the lands; and
 - Supplement the operating costs of the future theatre company, once selected, for the first five years of operation.

36. On June 3, 2025, a special WVBIA meeting was held for the sole purpose of deciding whether to send a letter concerning the Devron development. The minutes of that meeting indicate some members at the meeting alleged the Applicant had a conflict of interest relating to the Devron development because a recommendation in

⁸ [Agenda Item History - 2025.EY23.3](#)

the planning report going to Etobicoke York Community Council on June 4, 2025 affected his property. The Applicant maintained he did not have a conflict of interest but that the Respondent did.

37. The Respondent did not declare a conflict of interest at the June 3, 2025 WV BIA meeting. According to the minutes, he “clarified he is on the board representing BSaR, his Foundation is negotiating [with] the City not with Devron. Doesn’t and won’t own that land.” The Respondent participated in the discussion about whether to send the letter and voted not to send the letter.

38. On June 4, 2025, the Respondent attended the Etobicoke York Community Council meeting and made a deputation in support of the Devron development in his capacity as a Weston resident.

F. Issues to be determined

39. The issues I must decide are:

- a. Does the Respondent have a direct or indirect pecuniary interest in the Devron development under s. 5 of the *MCI A*?
- b. Should the Respondent have declared a conflict of interest under s. 5 of the *MCI A* when a motion to present a letter on the Devron development to the community council came before the WV BIA board at the June 3, 2025 meeting?

G. Analysis

Does the Respondent have a direct or indirect pecuniary interest in the Devron development?

40. If I decide the Respondent had a direct or indirect pecuniary interest in the Devron development, that means he was prohibited under s. 5(1) of the *MCI A* from taking part in the discussion of or vote on any question, or attempt in any way whether

before, during or after the meeting to influence the voting on any question where the subject of consideration is the Devron development. Even informal discussions outside the meeting with other Board members about the Devron development, would likely be caught under s. 5(1)(c).

41. Whether the Respondent conduct violated s. 5(1) of the *MCI*A depends on whether he has a direct or indirect pecuniary interest in the Devron development. This depends on whether the Foundation has a pecuniary interest in the development. There is no indication that the Respondent has a direct pecuniary interest in the development himself. This leaves the question of whether he has an indirect pecuniary interest through the Foundation.

42. The Foundation falls under s. 2(a)(i) of the *MCI*A because it is incorporated as a not-for-profit corporation. Courts have found that a municipal council member who was also a member of the board of directors of a not-for-profit corporation had an indirect pecuniary interest under s. 2(a)(i).⁹ Therefore, if the Foundation has a pecuniary interest in the Devron development, the Respondent automatically has an indirect pecuniary interest in the development under s. 2(a)(i) of the *MCI*A.

43. However, the circumstances in *Kehoe* (as discussed in Applicable Law, above) are different from this matter. The Foundation is not in the same situation as the Bruce Trail Conservancy in *Kehoe*. Unlike the Bruce Trail Conservancy, which received permission to build a trail, the Foundation is not itself acquiring any legal right or permission.

44. As a result, while the theatre company that is ultimately granted a right to use the public space may have a pecuniary interest in the development project, the Foundation does not. By extension, neither does the Respondent.

***Should the Respondent have declared a conflict of interest under s. 5 of the MCI*A when a motion to present a letter on the Devron development to the community council came before the *WV*BIA board at the June 3, 2025 meeting?**

⁹ *City of Elliott Lake v. Pearce*, 2021 ONSC 7859, at para. 10.

45. Because the Respondent does not have a pecuniary interest in the Devron development, he did not have to declare a conflict of interest under s. 5 of the *MCIA* when a motion to present a letter on the Devron development to the community council came before the WVBIA board at the June 3, 2025 meeting.

H. Findings and Recommendations

46. I find that the Respondent does not have a pecuniary interest in the Devron development.

47. Therefore, I find he did not need to declare a conflict of interest under s. 5 of the *MCIA* when matters related to the Devron development came before the WVBIA board at the June 3, 2025 WVBIA meeting.

48. The *MCIA* does not apply to the Respondent's actions prior to joining the WVBIA board, such as hosting the October 2023 meeting. Also, it does not apply to the Respondent's June 4, 2025 deputation as it only applies to decisions being made before the Board.

49. Section 160.1(15) of the *City of Toronto Act, 2006* provides that upon completion of an inquiry under the *MCIA*, I may, if I consider it appropriate, apply to a judge for a determination as to whether a board member has contravened sections 5, 5.1, 5.2 or 5.3 of the *MCIA*.

50. The evidence does not show that the Respondent violated the *MCIA*. Therefore, I will not be applying to a judge.

I. Summary and Conclusions

51. It is clear from the WVBIA Board meeting on June 3, 2025 that several members expressed opinions about who had a conflict of interest in the letter they considered sending about the Devron development parking entrance. It is important for board members to be aware that who is in a conflict, whether under the *MCIA* or a Code of Conduct, is specialized legal question.

52. It is my mandate as Integrity Commissioner to give confidential advice on this question to members of Council and members of local boards. I am the only one with the statutory authority to provide advice on this, and this advice can protect members, as they may rely upon it if a complaint or application is filed against them, and they have followed my advice. Accordingly, members should seek my guidance whenever uncertainty arises, to ensure they can carry out their duties with confidence and in compliance with their obligations.

Respectfully submitted,

"Paul Muldoon"

Paul Muldoon
Integrity Commissioner

Appendix A

About the Office of the Integrity Commissioner Toronto

The Integrity Commissioner is an independent officer overseeing the conduct of City of Toronto elected and appointed officials. The Commissioner is appointed by Council for a five-year term and operates independent of Council and the Toronto Public Service.

The standards of conduct expected of elected and appointed officials is documented in the Codes of Conduct and the *Municipal Conflict of Interest Act* (MCIA). Members must serve the public interest by upholding the letter and spirit of these standards.

The Integrity Commissioner has four core functions:

Advisory: providing confidential advice to members of Council and local boards;

Investigative: investigating allegations that conduct standards have been breached;

Policy: providing policy advice to Council and local boards on ethics issues; and,

Educational: providing education on members' ethical obligations.

The Integrity Commissioner is one of the City of Toronto's four accountability officers, the duties of each being set out in Chapter 3 of the Toronto Municipal Code.

Municipal Conflict of Interest Act Investigations

The Commissioner can conduct an inquiry after receiving an application from an elector or a person demonstrably acting in the public interest (s. 160.1 (1) *City of Toronto Act, 2006*) if the matter is within his jurisdiction and raises sufficient grounds to investigate.

After investigating, the Commissioner can make findings on whether a member of City council or a member of a local board contravened s. 5, 5.1, 5.2 or 5.3 of the *MCIA*.

After completing an inquiry, the Commissioner may, if he considers it appropriate, apply to a judge under s. 8 of the *MCIA* for a determination as to whether the member has contravened s. 5, 5.1, 5.2 or 5.3 of the *MCIA*. The Commissioner must advise the Applicant if he will not be making an application to a judge (s. 160.1 (15) and (16), *City of Toronto Act, 2006*).

After deciding whether or not to apply to a judge, the Commissioner shall publish written reasons for the decision (s. 160.1 (17), *City of Toronto Act, 2006*). If the Commissioner will not be making an application to a judge, the Applicant may apply to a judge for a determination as to whether the member has contravened s. 5, 5.1, 5.2 or 5.3 of the *MCIA* (s. 8, *MCIA*).