

We believe in B.C.

March 12, 2013

Mr. Paul D.K. Fraser, Q.C.
Commissioner
Office of the Conflict of Interest Commissioner
101 - 431 Menzies Street
Victoria, B.C.
V8V 1X4

Dear Mr. Fraser:

I hereby request in writing – as per section 19(2) of the *Members' Conflict of Interest Act* – that you reopen your investigation into the decision by Mr. Eric Foster, M.L.A. for Vernon-Monashee, to sign a four-year lease in 2009 for premises purchased by Ravinder Sidhu, the husband of his constituency assistant, Min Sidhu, four days before the 2009 election.

Almost one year ago, at Mr. Foster's request, you initiated an investigation into the same matter. Subsequently, on June 7, 2012, you wrote to Mr. Foster and stated you were of the opinion that he had not violated either section 2(1), nor section 2(2) of the statute. Your letter to Mr. Foster recently was posted for public viewing on the Conflict of Interest Commissioner website.

Unfortunately, a close and careful reading of your June 7, 2012, letter reveals that Mr. Foster either provided you with erroneous information or withheld constitutive facts.

Because your initial investigation was based on false or incomplete information, the opinion you rendered as a result is therefore flawed.

Among the many inconsistencies and factual errors in your opinion letter:

1. The letter twice states that the building Mr. Foster leased for his constituency office was owned by his assistant's "in-laws." In fact, it is owned by an immediate family member – the husband of Mr. Foster's assistant.

The building leased by Mr. Foster is owned by Kalview Park Investments Inc. That company has two principal shareholders and officers – one is Ravinder 'Sid' Sidhu, the husband of Mr. Foster's constituency assistant, Min Sidhu; the other is Ajit Sidhu, Ravinder's father.

Plainly, it is the immediate family of Mr. Foster's assistant that owns the building, and not, as you described your letter to the MLA, "the in-laws of your constituency assistant," and "the family of your constituency assistant's husband."

This is a fundamental point, because you concluded your letter to Mr. Foster by stating: "It is my opinion that neither your private interest *nor that of your constituency assistant* were furthered by the lease arrangements that you negotiated as part of your official duties or functions as an MLA." [emphasis added.]

That statement is incorrect. Mr. Foster's assistant is married to the owner of the building in which the constituency office is located. She clearly has a private, personal interest in the lease arrangements negotiated between her husband and her employer.

2. You wrote that a "very important" factor considered by Mr. Foster before he leased the building in question was the "condition of the space..."

You further wrote: "The space you were interested in required interior improvement, *which the owner was prepared to do with the cost amortized as part of the rent* over a lease term of 4 years." [emphasis added.]

In fact, the renovations were not paid – as you seemed to believe when you wrote the letter – by the "owner...with the cost amortized as part of the rent..."

We now know that B.C. taxpayers paid for those renovations.

In early January 2013, British Columbians learned that Mr. Foster had requested – in 2009 – that the Legislative Assembly pay \$78,000 for his office renovations. That request, moreover, was made without invoices or other documentation, and prompted the Auditor General's office to conduct an investigation.

In the end, the Speaker, Bill Barisoff, authorized a \$67,000 payment on Mr. Foster's behalf for those renovations.

Those renovations, then, were not paid for by "the owner" of the building, as you observed in your letter, but by British Columbian taxpayers.

And because B.C. taxpayers funded the office renovations, the building's owners – including the husband of Mr. Foster's assistant – received a considerable financial benefit.

3. You wrote that Mr. Foster's new constituency office "is located in a part of the city that is benefiting from redevelopment."

The constituency office of Mr. Foster's predecessor, Tom Christensen, was located in the Sun Valley Mall, at 3334 - 30th Avenue. Mr. Foster chose to move his constituency office to a building located at 3209 - 31st Avenue - a mere 1½ blocks from the former location.

Both offices are in the same part of downtown Vernon's west-end. The close proximity of the two is seen not only from their addresses, but also from their postal codes - V1T 2C8 in the first instance, and V1T 2H2 in the second.

4. You wrote to Mr. Foster that "The condition of the space and the cost per square foot were also very important factors that you considered."

It is not clear why Mr. Foster thought that the "cost per square foot" was more important than with the total leasing costs to be borne by B.C. taxpayers.

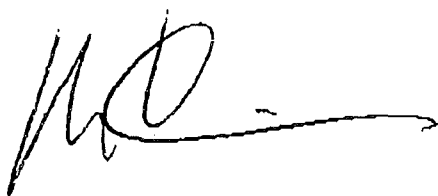
According to the Public Accounts, B.C. taxpayers contributed \$35,061 in 2007/08, and \$34,840 in 2008/09 for the office space rented by Mr. Foster's predecessor, Tom Christensen.

But the overall cost to taxpayers for Mr. Foster's office space has proved to be considerably higher. In 2009/10, the Public Accounts show two payments totaling \$147,344 made to Kalview Park Investments Inc. and the Vernon-Monashee Constituency; in 2010/11, \$55,567 to Kalview Park Investments Inc.; and in 2011/12, \$57,799 to Kalview Park Investments Inc.

The foregoing is not an exhaustive review of the inconsistencies and inaccuracies in your June 7, 2012, opinion letter regarding Mr. Foster and his apparent conflict of interest. Suffice to say there are many.

In light of the new information that has come to light in recent weeks, I hereby request that you re-open your investigation into Mr. Foster's decision in 2009 to lease an office building owned by a company in which his assistant's husband is an officer and shareholder.

Sincerely,



John Cummins
Leader
BC Conservative Party