

# Councillors deny their businesses are conflicts

A municipal conflict of interest expert has said it's less than ideal to have any councillor running a home show that features such exhibitors as the Town of Whitchurch-Stouffville or housing developers.

Robert MacDermid, a local politics professor at York University, said although no rules are being broken, he admitted it does raise concern when councillors benefit materially outside of their work as a councillor.

He said this includes a situation when Councillor Rick Upton, a home show administrator, is paid by the town or by Geranium Homes, which is building homes in his ward.

## 'ILL-ADVISED'

"It may be unusual and perhaps ill-advised," he said, "for a councillor to have a commercial relationship with the municipality as that might preclude them from voting on matters that might be important to voters," he said.

However, Upton said if you were to go by MacDermid's word, councillors would either have to be working solely outside the town or be unemployed.

*'What are you going to do when the mayor buys a car in the car dealership. Would you rather the mayor buy out in Uxbridge?'*

"I am putting skin in the game here," he said, implying that by working on the home show he is investing his time and money in the town.

When asked if he plans to recuse himself from voting on motions involving Geranium Homes in the future, Upton said he'd have to consider that based on the "individual topic".

"What are you going to do when the mayor buys a car in the car dealership," he said. "Would you rather the mayor buy out in Uxbridge?"

Upton said this sort of strict interpretation might also land other councillors in trouble, including Ward 5 Councillor Iain Lovatt who is part of a group that opened a bakery – Main Street Bakehouse – in downtown Stouffville this week.

## SMALL-TOWN POLITICS

"What are you going to do when someone goes in and buys a coffee at the bakery?" he said.

Lovatt said having a home show is clearly not a conflict of interest, but insisted that "perception is everything" when it comes to small town politics.

"People have their opinions about everything," he said. "My wife and I and friends are opening a bakery. Some people think that that's wrong. Perception is everything. I think when you're in public office you have to be aware of that."

Upton added that he began the home show in 2014 before becoming a councillor later that year.

Geranium Homes did not reply to a request for comment before press time.

– Jeremy Grimaldi



SUN-TRIBUNE FILE PHOTO

Rick Upton (foreground) and Attila Demjen (left) founded a Stouffville home show in 2014. Demjen has filed a lawsuit claiming he is owed money for the shows.

**'My wife and I and friends are opening a bakery. Some people think that that's wrong. Perception is everything. I think when you're in public office you have to be aware of that.'**

Iain Lovatt  
Stouffville councillor

# Show founders at odds

From page 1.

The third edition of the show is to run this spring. "I am out \$30,000 to \$40,000 a year for something that I created," says Demjen. "I was basically doing this for the chamber, not for myself. I want businesses in town to thrive and to have something slip through my fingers and not really understand how it happened is very hard for me."

Demjen says the problems first arose in 2014 when he, Upton and Edward Nelles, former executive director of the Stouffville Chamber of Commerce, met and agreed to contractual terms.

When he spoke to The Sun-Tribune, Nelles said he remembers sitting down with the pair at the Fickle Pickle restaurant after Upton and Demjen approached him about running a show.

"Both were speaking to me and I think I said 'Well let's do it together,'" he says, adding he believes he might be called as a witness, considering he was not only at the meeting but remains "friends with both the protagonists".

The documents state that at this meeting, Demjen and Upton agreed to be partners in the "production and operating of an annual" Stouffville Home and Lifestyle Show, the first of which would take place in May 2014.

Demjen's primary role in the deal was to sell booth space to exhibitors, using his contacts through his work, where'd he'd been selling advertisements for seven years, the document said. Meanwhile, Upton was in charge of administrative duties including processing payments and organizing logistics while the chamber helped with contacts, the documents state.

## SOLD-OUT EVENT

After Demjen and Upton attended similar shows in Ontario together and then sold out the exhibit spots for the inaugural show on Pad B of the Stouffville Arena, the event went ahead in 2014 and Demjen received some money.

However allegations contend Upton stopped answering Demjen's calls to discuss the 2015 show.

In early 2015, Upton allegedly booked a venue space for that year's show under the name Jordan Matthews, the claim states. Upton said he put the booking in his daughter's name for tax purposes and because he hoped she would one day take it over.

Eventually Upton informed Demjen he was dissolving the partnership and excluding Demjen from future involvement, the document alleges.

However, it continues, Demjen's name remained on the registration form and he continued to direct exhibitors to Upton. Although his name was removed from the documentation in 2016, Demjen says he wasn't paid for either year, the document alleges.

He alleges the non-payment of profits and his exclusion from the 2016 event amounts to a breach of contract as he was to receive 40 per cent for 2014 and every year thereafter.

Upton refused to comment on the lawsuit insisting he has yet to even secure a lawyer. He later said many of the original costs for the show were incurred by him.

As for Demjen's resolve in fighting the lawsuit, he says he plans to take it right to the end.

"I am not going to let this go. It's not right and it doesn't fit in with my morals and values," he added.

**PEPPERTREE KLASSICS** Markham's Favorite Women's Fashions, Footwear and Accessories Boutique

**MONDAY FEBRUARY 29TH ONLY**  
**ONE DAY SAVINGS**  
**ALL SPRING 2016 ITEMS**  
**29% OFF\***

**ALL OUR WINTER ITEMS\***  
**NOW \$10 ~ \$15 ~ \$20 ETC.**

**GREAT ITEMS TO CHOOSE FROM**

\*REGULAR PRICE \*ALL SALES FINAL \*Not valid with any previous offers

137 Main Street North, Markham 905.294.3882 • www.peppertree.ca • Open 7 days a week and holidays