

Correspondence #24

**Letter to Scott Cousens & John Bromley
cc: Blake Bromley**

January 29, 2021

RE: Fortius Sport & Health Centre

1. Letter to Mayor & Council of the City of Burnaby (2 pages)

Total: 4 pages

January 29, 2021

To: Mayor and Council, City of Burnaby

c.c.: Scott Cousens, Founder & Chairman, Fortius Sport & Health Centre (via e-mail)
John Bromley, Founder & CEO, Charitable Impact Foundation ("CHIMP") (via e-mail)
Blake Bromley, Former President of Benefic Group Inc. (via e-mail)
Mr. Michael Pickup, Auditor General of British Columbia, Victoria, BC
Economic Crime Unit, Burnaby RCMP (RE: File # 2021-892), Burnaby, BC
Mr. Tony Manconi, Director General of the Charities Directorate, Ottawa, ON

RE: Fortius Sport & Health Centre

Further to my letters of January 15th and 22nd, I am writing one last time to re-iterate my concerns about the terms of the purchase of Fortius Sport & Health Centre, scheduled to close on February 1. As this is a matter of public interest, I will post this letter at my web-site.¹

As I said in my initial letter, two weeks ago, I hope that the sports centre can re-open as soon as possible but I believe that the payment of \$26.6 million to Fortius Foundation should be put on hold.

To re-cap: Despite a total of \$106 million in tax-receipted donations and charitable gifts and a total of \$130 million in loans, Fortius Foundation was still \$24 million in debt (as of 2019), and yet the assessed value of the buildings that comprise the sports centre is only \$15.7 million. The \$106 million includes \$74.7 million from CHIMP Foundation, just two years ago.

Based on what I have presented in my previous letters, it seems to me that in purchasing the sports centre, there are three issues: 1) The price, 2) Who gets the money, and 3) The RCMP file.

Regarding the price, Mayor Mike Hurley has told me that he thinks The City is getting a bargain. The centre is 140,000 square feet and would cost \$1,000 per square foot to build, he told me. That puts the replacement cost at about \$140 million. I can see why Council is keen to buy the sports centre for less than a quarter of that but there's more to this purchase than the price.

The second issue is who should get the money. The salient point here is that Fortius Foundation is not a commercial seller. It is a registered charity. As I explained in my first letter, it is clear to me that Fortius Foundation is part of a massive tax fraud scam involving hundreds of millions of dollars in tax-receipted donations and charitable gifts that are a SHAM. I have reported this to the Burnaby RCMP. They have opened a file, #2021-892.

¹ https://fairquestions.typepad.com/rethink_campaigns/2021/01/open-letter-to-burnaby-mayor-council.html

The reason that I would characterize some of the gifts to Fortius as a sham is because I believe that no real money changed hands. For a gift to be a true gift, there must be an intention on behalf of a donor to benefit the recipient, and an impoverishment of the donor. Examples of gift that I believe are a sham are attached.

By law, registered charities are required to operate for purposes that are exclusively charitable. This means entirely, solely and purely charitable. This is the responsibility that charities bear because they can issue receipts for substantial tax relief.

The sole purpose of Fortius Foundation was the sports centre. Now that the centre is closed, the foundation should also close. In my view, it should not get \$26.6 million of public funds.

As I explained in my initial letter, Fortius Foundation is one of The Bromley Charities. The CRA has already shut down eight charities run by the same group of individuals who created Fortius Foundation and at least one more CRA audit is underway. However, as we have seen, CRA audits take far too long. One of these audits spanned 19 years.

I do realize that you are a municipal government, not the CRA. It must be tempting to say, "This is the CRA's problem, not ours." But we must all do our part to uphold the law and protect the integrity of the charitable sector.

In light of the above, I respectfully suggest that The City of Burnaby finds out how much real money was put into building the sports centre – and by who – and I suggest that The City repays the outstanding amounts owed by Fortius Foundation for the sports centre's original construction – and not a cent more.

As for the land, the centre is located on 5.2 acres in central Burnaby. It was valued at \$3 million when the project began.² Now, the assessed value is \$12.4 million.³ There's nothing stopping Fortius Foundation from giving the land to The City of Burnaby at the original cost. After all, giving is what charities are supposed to do.

Finally, the third issue that I draw to your attention again is that the RCMP have opened a file regarding this matter. Surely the City of Burnaby should be in no hurry to pay \$26.6 million to a charity that is the focus of an RCMP file.

I wish you the very best as you serve of the people and the taxpayers of Burnaby. I'm available to answer any questions that you may have.

Sincerely,
Vivian Krause

² Financial statements for New Dimensions Foundation, 2008.
<https://fairquestions.typepad.com/files/new-dimensions-land-3-million.pdf>

³ B.C. Assessment: <https://fairquestions.typepad.com/files/fortius-assessment-land-12.4-million.pdf>

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