



HOUSE OF COMMONS
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CANADA

PURCHASE AND SALE OF THE OFFICIAL RESIDENCE FOR THE CONSUL GENERAL OF CANADA IN NEW YORK CITY

**Report of the Standing Committee on Government
Operations and Estimates**

Kelly McCauley, Chair

**OCTOBER 2025
45th PARLIAMENT, 1st SESSION**

Published under the authority of the Speaker of the House of Commons

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Chair**

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NOTICE TO READER

Reports from committees presented to the House of Commons

Presenting a report to the House is the way a committee makes public its findings and recommendations on a particular topic. Substantive reports on a subject-matter study usually contain a synopsis of the testimony heard, the recommendations made by the committee, as well as the reasons for those recommendations.

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THE STANDING COMMITTEE ON GOVERNMENT OPERATIONS AND ESTIMATES

has the honour to present its

THIRD REPORT

Pursuant to its mandate under Standing Order 108(3)(c), the committee has studied the purchase and sale of the official residence of the Consul General of Canada in New York and has agreed to report the following:

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SUMMARY

In the summer of 2024, Global Affairs Canada purchased a US\$6.6 million (C\$9 million) condominium in Midtown Manhattan to replace the aging official residence of the Consul General of Canada in New York. Officials had raised concerns about the condition of the previous residence – in use since 1961 and last renovated in 1982 – as early as 2014. After reviewing the options, Global Affairs Canada concluded that selling the old property and purchasing a new one would be more cost-effective than undertaking renovations.

Between August and November 2024, the House of Commons Standing Committee on Government Operations and Estimates held nine hearings to examine the transaction and assess whether it provided value for money. This report outlines the committee’s findings and recommendations.

LIST OF RECOMMENDATIONS

As a result of their deliberations committees may make recommendations which they include in their reports for the consideration of the House of Commons or the Government. Recommendations related to this study are listed below.

Recommendation 1

Given that, in September 2025, the asking price for the property at 550 Park Avenue #12E, New York, NY 10065 was lowered to US\$7.9 million (approximately \$11.1 million), or by about \$2.2 million, that Global Affairs Canada update the committee within 30 days of the sale of this property with details on the transaction, including a) the final sale price and b) the complete comparative option analysis and underlying assumptions used to estimate net present value savings, together with a reconciliation showing how actual outcomes compare to the projections provided to the committee; and that the appraisal report of the property be shared in confidence with the committee immediately.

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Recommendation 2

Given the testimony from Global Affairs Canada officials with respect to the value the department placed on “optics” during the purchase process of a new property in an area known as “Billionaire’s Row” amid an affordability crisis, that Global Affairs Canada consider the “optics” of purchasing property in its decision-making process when purchasing new property.

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Recommendation 3

That Global Affairs Canada be required to obtain, and table with the committee, at least two independent third-party appraisals for all offshore property acquisitions and disposals over \$5 million, with one valuation sourced from a firm outside the host country to ensure impartiality. These valuations must be shared with the Treasury Board Secretariat and the committee.

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Recommendation 4

That Global Affairs Canada update its Property Management Manual to: (a) codify a formal protective screen limiting the role of Heads of Mission in acquisition/disposal decisions; (b) require all mission input to be channelled in writing through designated property officials; and (c) preserve a complete audit trail of who initiated, drafted, reviewed, and approved all material communications so that informal or ambiguous references cannot be construed as influence. Global Affairs Canada should report back to the committee with the revised chapter and implementation plan. 19

Recommendation 5

That Global Affairs Canada regularly conduct value-for-money examinations of its real estate portfolio to assess whether it can proactively achieve cost savings for Canadians. 20



PURCHASE AND SALE OF THE OFFICIAL RESIDENCE FOR THE CONSUL GENERAL OF CANADA IN NEW YORK CITY

INTRODUCTION

In July 2024, Canadian and American news outlets reported that the Government of Canada had purchased a US\$6.6 million (\$9 million) condominium in the Midtown Manhattan neighbourhood of New York City, New York, United States (U.S.).¹ The property, located in the heritage portion of the building at 111 West 57th Street, would serve as the new official residence of the Consul General of Canada in New York, replacing the previous unit in a co-operative building at 550 Park Avenue. Due to the price of the condominium and the nickname given to the area where the new property is located (“Billionaires’ Row”), the transaction attracted significant public scrutiny in the following months.

Jonathan Miller, President and CEO of Miller Samuel Inc., a real estate appraisal and consulting firm in New York, [explained](#) that “[t]he phrase ‘Billionaires’ Row’ is a marketing term... It’s an aspirational name, but it does not reflect the majority of the housing stock in that location.” Similarly, Stéphane Cousineau, Senior Assistant Deputy Minister, People and International Platform, Global Affairs Canada (GAC), [expressed](#) the view that a lot of the scrutiny surrounding the transaction is a result of this phrase, but that it is not reflective of the property that was acquired. When asked whether the government had accounted for the optics associated with buying property on “Billionaires’ Row,” Robin Dubeau, Acting Associate Assistant Deputy Minister, Real Property and Infrastructure Solutions, GAC, [stated](#) that this was not considered because the government was “looking at the characteristics, location and functionality of the property.”

On 24 July 2024, the House of Commons Standing Committee on Government Operations and Estimates (the committee) [initiated](#) a study into the transaction. As part of this study, the committee heard from 24 witnesses over nine meetings held between August and November 2024, including the Minister of Foreign Affairs, government officials, and real estate experts. During the study, committee members questioned whether the transaction offered good value for money to Canadians and whether the Consul General had been

1 Unless otherwise indicated, all sums are in Canadian dollars. The transaction authority was for \$9.04 million in Canadian dollars, according to Global Affairs Canada documents submitted to the committee.



personally involved in the process. On 19 June 2025, the committee decided to reinstate this study in the 45th Parliament to report its findings to the House of Commons.

A consul general is the highest-ranking officer at one of Canada’s consulates general, which provide consular services to Canadians visiting and living in “a major city [abroad] that is not a capital city.”² The current Consul General of Canada in New York is Tom Clark. Mr. Clark became the Head of Mission (HOM) in New York on 27 February 2023. He appeared twice before the committee as part of this study.

Government officials indicated that the Consulate General in New York is one of Canada’s most important diplomatic missions. It serves 300,000 Canadians living in the area as well as thousands more who travel there every year. The Hon. Mélanie Joly, then Minister of Foreign Affairs, noted that it is Canada’s oldest consulate, having opened more than 100 years ago. Officials pointed out that the area for which the mission is responsible accounts for over \$200 billion in bilateral trade annually.

This report presents what the committee heard during its study. The committee’s observations and recommendations are included at the end.

DEPARTMENTAL ROLES AND RESPONSIBILITIES

The Treasury Board of Canada Secretariat (TBS) sets the policy framework for the management of real property through its *Directive on the Management of Real Property* (the Directive). Samantha Tattersall, Assistant Comptroller General, Acquired Services and Assets Sector, TBS, explained that several custodian departments, such as GAC, are responsible for managing their own real property portfolios: “Deputy heads of these organizations are accountable for ensuring that real property is managed in a manner that enables operational outcomes while demonstrating sound stewardship.” Despite managing its own real property portfolio, GAC remains subject to the Directive.

TBS approval is only required for a real property purchase or sale when that transaction exceeds a department’s transaction limit. Ms. Tattersall indicated that,

[i]n the case of Global Affairs Canada, the department can acquire an official residence property outside of Canada for an amount of up to \$10 million Canadian. This means that the property in question was acquired within Global Affairs Canada’s authority. The Treasury Board did not review the transaction in question.

2 Government of Canada, [Canadian government offices abroad](#).

Mark Quinlan, Assistant Deputy Minister, Real Property Services, Public Services and Procurement Canada (PSPC), added that, “to comply with the [Directive], real estate practitioners from custodian departments are required, as part of their due diligence process, to justify the amount paid for acquisitions and disposals in relation to market value.” In the case of the New York transaction, this due diligence included obtaining an appraisal of the property from the Chief Appraiser of Canada:

For the transaction in question today, for which the value is above the \$500,000 threshold, there was a mandatory requirement for Global Affairs Canada to commission an appraisal report from the [C]hief [A]ppraiser of Canada via PSPC appraisal and valuation services. PSPC's role in the purchase of the consul general's residence, therefore, was limited to providing appraisal services. PSPC provided these appraisal services through a third party—John C. Monaco of National Valuation Consultants—and was not involved in the cost-benefit discussions regarding the replacement of the previous residence.

The committee was provided with a copy of the appraisal report prepared by National Valuation Consultants, which valued the 111 West 57th Street property at US\$6.65 million (approximately \$9.0 million, as-is market value).

Pursuant to the responsibilities outlined above, TBS set the administrative policy framework and PSPC provided appraisal services, but the business decision ultimately rested with GAC as it fell below the department's \$10-million transaction limit. GAC has had special transaction limits since 1993; these are updated regularly based on inflation and market valuation adjustments. GAC's special limit was last reviewed in 2022, when it was raised from \$4 million to \$10 million. The next review is scheduled for 19 May 2026.

The committee heard repeatedly that the decision to sell and replace the old official residence was entirely made within GAC. Mr. Cousineau stated that “[t]he process, the decision-making, [was] all managed at [the GAC headquarters in Ottawa], and there [was] no influence from any staff other than the people responsible for the stewardship of the real property.” The committee was told by Mr. Cousineau and Mr. Clark, for instance, that there was no political involvement in this process, with the Minister of Foreign Affairs and the Prime Minister having played no role and having no visibility over the file. Minister Joly told the committee that

Global Affairs Canada officials followed all the procedures when downsizing the New York official residence. Their decision was made to guarantee the best value for Canadian taxpayers' money, which is what I expect from my department... [T]his was an operational decision, not a political one.

According to Mr. Cousineau, the decision to buy the new property was made by a director general responsible for real property planning at GAC. That individual, Franck



Hounzangbé, told the committee that he had no contact with Mr. Clark throughout the process. Rob McCubbing, Deputy Consul General of Canada in New York, provided the signature for the transaction based on a written delegation from Mr. Hounzangbé.

PURCHASE OF A NEW OFFICIAL RESIDENCE

The committee learned that the decision to purchase a new residence was rooted in issues with the old one, which were reported as early as 2014. The following section provides a timeline of events as well as an overview of the transaction.³ It also includes details of similar transactions conducted by other countries with properties in the area to provide a comparison.

Timeline of Events

In 1961, Canada purchased unit 12E at 550 Park Avenue for \$140,000 to serve as the official residence of the Consul General in New York.⁴ This property, located in a co-operative building, was last refurbished in 1982. The following events ensued, eventually leading to the replacement of the property:

- 2014: The Consulate General in New York reported concerns about the conditions of the property on Park Avenue.
- 2017: A building condition report indicated that many systems were nearing the end of their life expectancy and foresaw a mid-life refit in the early 2020s.
- August 2020: GAC's Real Property Oversight Committee approved a Statement of Requirements (a document that defines the needs and objectives of a project) to address issues at the Park Avenue property.
- May 2021: The refurbishment project of the Park Avenue property, then assessed at \$1.8 million, was approved.

3 Documents and emails provided to the committee by Global Affairs Canada informed this timeline.

4 The property was re-appraised in July 2024, but Global Affairs Canada did not provide this information to the committee, despite requests from members. The department argued that publicizing it could have adverse consequences for the sale of the property.

- 2021 to 2023: The refurbishment project was delayed by a series of challenges, such as supply chain issues caused by the COVID-19 pandemic.
- 2023: The estimate for the refurbishment project rose to a range of \$2.4 to \$2.8 million due to inflation and increased construction costs.
- April 2023: The Consulate General re-confirmed the “poor condition” of the Park Avenue property and its unsuitability for representational activities, and GAC’s Real Property Oversight Committee decided to find a replacement rather than go forward with the renovations (because of ballooning costs, challenges with the cooperative’s administration of the building and municipal authorization delays).
- June 2023: GAC’s Real Property Oversight Committee launched an options analysis to determine whether to rent or purchase a new residence.
- August 2023 to March 2024: The search for a new property began, but “no viable options meeting both GAC standards and a reasonable price range were identified during that period.”
- 8 March 2024: The recommendation was made to secure the services of a local broker.
- April 2024: Douglas Elliman Real Estate was awarded a contract to find a new property. Douglas Elliman Real Estate presented 39 properties for consideration before narrowing it down to 21 properties for in-person visits. After three days of visits, a final list of four properties remained and two were nominated for further consideration. Of the remaining two, one did not pass a second security and design review, leaving only one property, at 111 West 57th Street.
- 12 April 2024: Mr. Clark first heard about GAC’s interest in buying the condominium at 111 West 57th Street after a conditional offer was made to purchase the property.
- 26 April 2024: Mr. Clark visited the condominium at 111 West 57th Street.
- 8 June 2024: The transaction authority (\$9.04 million) was approved.



- 14 June 2024: The Office of the Associate Deputy Minister of Foreign Affairs tasked the leads of the relocation file with preparing an overview.
- 17 June 2024: The Office of the Associate Deputy Minister sent an email to the Office of the Minister of Foreign Affairs with an overview of the file.
- 27 June 2024: The final payment was issued for the property at 111 West 57th Street.
- 8 July 2024: As part of a competitive process, GAC launched a request for proposals to find a broker to sell the Park Avenue property, leading to the selection of Douglas Elliman Real Estate.
- 25 July 2024: The Office of the Associate Deputy Minister sent additional information on the decision-making process and governance of the file to the Office of the Minister of Foreign Affairs.
- 15 August 2024: Douglas Elliman put the former residence on the market, listed at US\$9.5 million (roughly \$13 million); a GAC official characterized this as “a price that reflects the current condition of the asset, as assessed by our real estate agent according to comparables in the area” and according to a second independent market-value audit conducted “just before” putting it on the market.

This timeline of events shows that the decision to purchase the condominium at 111 West 57th Street had already been made when Mr. Clark first learned about this process. It also confirms that the offices of the Minister of Foreign Affairs and Associate Deputy Minister only requested information about this transaction after the decision to replace the official residence was made, the property was selected and the transaction authority was approved.

Overview of the Transaction

As noted previously, the unit at 550 Park Avenue was purchased in 1961 and it was last refurbished in 1982. Over time, it became apparent to the Consulate General and GAC that it was no longer suitable as an official residence unless renovations were undertaken. GAC officials and internal documents identified the following issues with the old residence:

- It did not meet accessibility requirements following the entry into force of the *Accessible Canada Act* (e.g., the main entrance to the building was not accessible and the unit did not have accessible bathrooms);⁵
- The dedicated family space was limited (all living and eating facilities were in the representational areas of the unit); and
- The co-operative housing board imposed restrictions on the number and size of events that could be held.

During its study, the committee was told that GAC’s official residences are more than just living quarters: “It is an essential venue for hosting key interlocutors in smaller, more personal settings,” Mr. Cousineau explained. He noted that more than 50 official functions had been hosted at the Consul General’s New York residence in the last two years.⁶ As such, GAC had unique operational requirements to satisfy in this transaction, on top of providing living quarters to the HOM and his dependents. Mr. Dubeau noted that the consulate has representational space at the building it shares with Canada’s permanent mission to the United Nations, “but it doesn't allow for the kind of activities and representation that the official residence would.” Mr. Clark characterized the residence as more “intimate” and “secure.”

Thomas Aabo, licensed real estate agent at Douglas Elliman Real Estate, provided an overview of the specific criteria given by GAC to identify properties that could serve as a new residence:

They included a minimum of three bedrooms plus den, accessibility compliance, proximity to both the Canadian mission and the [United Nations], detailed security specifications, a location that is not in a co-op, a price point below \$9 million, and separation between living quarters and where public duties take place. Furthermore, the location and building had to be attractive for these public functions to be well attended, and building management had to be accommodating for such duties to be performed frequently.

5 *Accessible Canada Act* (S.C. 2019, c. 10); the Act came into force on 11 July 2019.

6 By comparison, documents sent to the committee show that Canada’s Ambassador to the United Nations hosted 55 events in his official residence between October 2020 and June 2024.



Other mandatory factors for consideration are codified in a manual.⁷ Mr. Hounzangbé emphasized that the department found an opportunity to save money while also meeting these criteria, contrary to its own expectations: “In the case of a relocation, we generally expect some cost increase.”

Value for Money

The committee heard from all witnesses who took a position on the subject that the decision to sell the old residence and purchase a new one would provide good value for money to Canadians. Notably, Mr. Aabo concluded that “the Government of Canada, based on the criteria presented and the quality and final purchase price of its new official residence, has secured an asset that will serve the country... for years to come, both fiscally and functionally.”

Mr. Aabo also noted that Canada benefited from advantageous circumstances, which led to the asset being acquired at a 40% discount against the original asking price and a 10% discount against the last asking price: “There was a transition in ownership [of the building] and a desire by the new owners to, in essence, transact, and the willingness to transact turned out to be for the benefit of the Government of Canada.” Mr. Miller (who was not involved in the transaction) concurred.

Although they could not give a professional opinion on this specific file, both Mr. Aabo and Mr. Miller said the asset is likely to gain value over time. Mr. Miller said that, due to the restraint on supply in the Manhattan real estate market, “it would be a reasonable estimate to assume that the price growth of the property in the long run would be at or above inflation levels.”

According to Mr. Aabo, the average price of real estate in the 57th Street area is US\$1,764 per square foot. In this transaction, GAC secured the property at a price of US\$1,750 per square foot, which is slightly lower than the area’s average: “This is by far the lowest price in the building” and cheaper than most comparable real property assets in the area.

Mr. Cousineau said that replacing the aging unit made fiscal sense and followed policy:

The replacement of the official residence in New York was carefully planned and executed. It represents up to \$7.4 million in net present value savings for Canadians. An aging asset is being replaced with a well-located, smaller and more cost-effective

7 The committee was provided with a copy of Chapter 5 (Official Residence Acquisition) of Global Affairs Canada’s *Property Management Manual*. This chapter provides guidelines for acquisition and disposal procedures, such as selection considerations (location, fire safety, space and size, special features, grounds and security).

property, positioning Canada to meet both current and future needs. The previous residence at 12E-550 Park Avenue was acquired in 1961 and was used extensively.

Mr. Cousineau also [explained](#) how the department reached that \$7.4-million figure⁸:

- The old residence was listed on the market at \$3.9 million more than what was paid for the new residence (although, as explained below, the asking price has since dropped).
- The transaction allows GAC to avoid roughly \$2.6 million in renovation costs for the old residence.
- The replacement of the residence will enable ongoing savings of \$115,000 per year by reducing operational expenses by half.

With respect to the first point, Amélie Bouchard, Acting Chief Appraiser of Canada, Real Property Services, Public Services and Procurement Canada, [told](#) the committee that the old residence at 550 Park Avenue was listed on the market at \$14 million as of August 2024. Publicly available information [shows](#) that the property was listed for US\$9.5 million on 15 August 2024 (which is closer to \$13.3 million). In June 2025, the asking price decreased to US\$8.7 million (roughly \$12.2 million). In September 2025, the asking price further decreased to US\$7.9 million (roughly \$11.1 million). The savings anticipated from that transaction are largely contingent on the sale of the old residence. According to [Robin Dubeau](#), Acting Associate Assistant Deputy Minister, Real Property and Infrastructure Solutions, GAC, the real estate agent indicated that “this type of asset” is usually on the market for between “three and six months.” As of September 2025, the property has been for sale for over a year and its asking price decreased by a total of US\$1.6 million (roughly \$2.2 million).⁹

With respect to ongoing operational expenses, the committee learned of several factors contributing to the new residence’s lower expenses. For instance, the new condominium was recently renovated (prior to the purchase), so the government expects maintenance costs to be minimal. Moreover, unlike the old residence (which was managed by a co-operative corporation), the new residence is exempted from several taxes pursuant to

8 The committee had access to the Comparative Option Analysis conducted by Global Affairs Canada, which anticipates that replacing the asset could deliver a \$7,475,276 benefit when compared to renovating it. The document notes that “[t]he replacement option has a higher potential for retaining and increasing value, making it a more financially prudent choice under the analyzed conditions.” It also states that “[t]he renovate option, while requiring smaller outflow at the beginning, is more vulnerable to market fluctuations and inflation.”

9 All values in Canadian dollars were obtained using the Bank of Canada’s tools (October 2025).



the [Vienna Convention on Consular Relations](#). Documents submitted by GAC indicate that the purchase of the condominium at 111 West 57th Street was “exempt from capital gains tax, U.S. foreign investment tax, real property tax, and [New York City’s] mansion tax. These exemptions are granted under U.S. and New York State laws, which provide tax relief to foreign government for properties used in official capacities.” According to [Mr. Hounzangbé](#), relocating the official residence outside of a co-operative model was a determining factor in the decision.

Mr. Cousineau also [observed](#) that, “with the co-op model... there were a lot of restrictions that we had to face, which was very challenging. We know that in the new location we’re going to, there will be more flexibility.” Documents submitted by GAC indicate that “there are no specific rules regarding the number and type of guests allowed at [111 West 57th Street]. In addition, there are no restrictions on hosting events.” Mr. Aabo [agreed](#): “It is our understanding from a review of those rules that they are severely less limiting than what a co-op board was presenting in the past.”

Comparison to Other Official Residences

The committee learned that Canada’s new official residence is less expensive compared to properties bought by other countries in the area. Mr. Cousineau [noted](#) the following:

The U.K. [United Kingdom] ... bought something five years ago ... for \$21.5 million. We've also looked at a couple of other countries to compare with. I would say that we have one of the lowest, if not the lowest, costs of purchase when we compare those relative to other countries. I have New Zealand at NZD\$11 million, 11 years ago [roughly \$9.9 million at the 2014 exchange rate], so we can imagine the cost today; Italy at \$35 million; and even Denmark, which is not a G7 country, at \$9 million.

To [Mr. Aabo’s](#) knowledge, “there is no major foreign government, and certainly none in the G20, that doesn’t have meaningful real property investments for public representation in Midtown within 15 minutes of the [United Nations].” Mr. Miller [agreed](#): “About 95% of the consulates in New York City are located in this neighbourhood or just abutting this neighbourhood.”

Furthermore, the committee received a written response from TBS indicating that, since 2006, GAC has only acquired two official residences worth more than \$4 million, including the one at 111 West 57th Street in New York. The other instance was a transaction in 2008, which led to the acquisition of a new residence in Dublin, Ireland, for \$13.2 million (approx. \$18.9 million in 2025 dollars).

ALLEGED INFLUENCE BY THE CONSUL GENERAL

Following news that Canada bought the condominium at 111 West 57th Street, questions arose regarding Mr. Clark's involvement in, and influence over, the process. These questions mostly emerged from the disclosure of internal emails and documents during the committee's study. It should be noted that every witness who addressed these allegations asserted that Mr. Clark was not formally involved in the decision and process to sell the old residence and purchase a new one. However, as described below, documents published through an access to information request suggest that Mr. Clark's comments about the old residence's quality could have been seen as trying to influence the decision to seek a new residence as they were included in official reports on the matter.

According to [Mr. Dubeau](#), "a head of mission expressing a view about a property does not necessarily influence the process." Mr. Dubeau [explained](#) that GAC's real property team never directly asked Mr. Clark for his opinion: "He didn't engage with us to give us his views directly. But in the documents, somebody has quoted an opinion that he may have shared at the mission with his staff." Likewise, Mr. McCubbing [told](#) the committee that, while Mr. Clark was aware of the process, he did not offer any opinion.

Similarly, Mr. Aabo [said](#) that, in the process of selecting, sourcing, visiting and reviewing the initial 39 properties (and narrowing it down to two), he had not met with Mr. Clark or anyone from his office. It was only after the condominium at 111 West 57th Street was selected that "several individuals from the mission, including Mr. Clark, came to tour the property as part of, I believe, a final vetting of some sort, but this was after the decision had already been made that they were going to proceed with that property."

Electronic Communications

The committee was provided with copies of two emails sent on 17 June 2024 and 25 July 2024 by Emily Nicholson, Director and Chief of Staff of the Associate Deputy Minister of Foreign Affairs. Karolina Guay, who served as Chief of Staff to the Deputy Minister of Foreign Affairs from September 2022 to August 2024, was the one who relayed requests for information from the Minister's Chief of Staff to Ms. Nicholson, whom she [described](#) as "the lead person on corporate files in the team." According to [Ms. Guay](#), "[i]n both instances, these requests were to receive information about a process that had already been approved at the departmental level."

In the June 2024 email sent to the Chief of Staff to the Minister of Foreign Affairs, Ms. Nicholson wrote that the HOM of the Consulate General in New York – Mr. Clark – had been "instrumental throughout this process" and provided "the greenlight for the



selection of the new residence.” After that initial email was sent, the Office of the Associate Deputy Minister requested that the leads pull together a more detailed chronology of events. That information was provided to the Minister’s office in a follow-up email in July 2024. In that second email, Ms. Nicholson now wrote that the HOM was not involved in the selection or approval process for the new official residence.

When asked about the apparent contradiction between the two emails, Ms. Nicholson admitted that “a mistake was made [in the first email in June],” but stated that no one asked her to make a correction in July 2024. Ms. Nicholson explained to the committee that she was not the subject lead on this file; her role was merely to serve as liaison between GAC and the Minister’s office: “The June 17 and July 25 emails were written as part of this liaison.” She added that, on 14 June 2024, the Minister’s office requested information on the decision to sell the previous residence; she reached out to the subject matter experts (Mr. Dubeau and Mr. Hounzangbé) to draft her June email.

Ms. Nicholson testified that, in that original email, the word “instrumental” referred to mission staff in New York, not Mr. Clark personally.¹⁰ She said that the latter was merely aware of the process and that by “green light,” she only meant that he was ready to accommodate the department’s decision and move to a new residence if needed. While recognizing that “more precise language could have been used to avoid any misunderstanding,” she emphasized that none of her emails to the Minister’s office said that the HOM influenced the process. She also noted that “the records from the property branch demonstrated that the consul general was aware of the process but not involved or in a decision-making role.” “All correct policies and procedures were followed throughout this process, with the end result being to relocate the residence to a smaller, more cost-effective property,” she said.

On 12 September 2024, Mr. Clark testified that he “was not involved in any way, shape or form in the decision to buy this new residence or sell the old residence. That is entirely in the hands of the property division of Global Affairs [Canada].” Mr. Clark also stated that he only visited the new official residence after an offer to purchase it had been made. Regarding Ms. Nicholson’s June 2024 email, Mr. Clark said that “[t]he memo, or the email... was simply wrong. These things happen. People get things wrong.” Mr. Clark noted that Ms. Nicholson, whom he never met, “was not involved in the process” and ended up correcting herself.

10 Mr. Cousineau said that it is normal to notify mission staff about this sort of situation: “As part of that process, absolutely, we always make the mission aware, but there’s no involvement in the selection or any purchase.” The mission staff is only made aware to ensure that such a process does not prevent them from continuing their operations.

Written responses submitted by GAC were consistent with what Ms. Nicholson and Mr. Clark stated to the committee. Those documents indicate that

[t]he [June 2024] email was intended to convey that the Head of Mission was aware of, and had not raised concerns with, the department's plan. It was not meant to imply that the Consul General was involved in the decision-making, exercised influence, or signed for any transactions related to the relocation of the official residence or the actual sale.

Internal Documents Released via Access to Information

According to a 2023 [document](#) (titled "Statement of Investment Requirements Document") obtained through an Access to Information request by a third party and relayed by some news outlets:

The current CNGNY [Consulate General of Canada in New York] HOM [i.e., Mr. Clark] expressed concerns regarding the completion of the [old residence's] kitchen and refurbishment project and indicated the unit was not suitable to be the CNGNY's accommodations and it does not have an ideal floorplan for CNGNY representational activities.

The document also indicates that, "[i]n April 2023, CNGNY [the consulate] informed ACM [International Platform Branch] senior management that the property is not suitable for representational activities, is not suitable as a residence, and requires immediate replacement."

Mr. Clark appeared before the committee for a second time on 21 November 2024, after these details came to light. At that hearing, he [stated](#) the following:

With respect to previous questions from the committee regarding a report prepared by the department's property bureau in April 2023, I want to be clear that I was unaware that any mention of my observations had been included as part of the mission's input to the property team.

Any mention from the mission referencing my views on the state of the official residence was the result of an indirect, third-hand report of a remark made to a colleague. This in no way constituted an effort to influence a complex departmental process initiated in 2014—that is, eight years prior to my arrival.

As all officials who have come before this committee have stated, the property project for the official residence was led by Global Affairs Canada headquarters. The decision to relocate the residence was taken in Ottawa, based on a detailed financial analysis and needs assessment overseen by a governance structure designed to prevent against any undue influence.



Mr. Clark reiterated that he never requested a new residence. He said that any comments he made about the old residence were casual in nature and he never expected they would make their way to GAC headquarters: “I did not talk to anybody about relocating. My comments, casual as they may have been, were directed towards what I had to work with at 550 Park Avenue,” such as accessibility issues and a lack of designated family space.

Mr. Dubeau and Mr. Hounzangbé, the leads in this process, did not contradict Mr. Clark’s testimony. Mr. Dubeau testified that,

in the course of doing this, we have asked the mission for their views. We didn’t ask the consul general directly for his views. He didn’t engage with us to give us his views directly. However, in the documents, somebody has quoted an opinion that he may have shared at the mission with his staff. I would say that with all of that due process that followed the reception of the statement of requirement, the process was very isolated and was managed all by headquarters without influence from Mr. Clark.

Similarly, Mr. Hounzangné stated that “[n]othing out of place was observed throughout the process.”

OBSERVATIONS AND RECOMMENDATIONS

Based on the evidence available to the committee, it appears that the process for replacing the official residence in New York was made at the operational level, with no involvement from political actors such as the Minister of Foreign Affairs. It also appears that TBS, PSPC and GAC rules, policies and guidelines were followed, and that the transaction may provide good value for money to Canadians by replacing a 63-year-old asset with a cheaper, recently renovated, more cost-effective move-in ready unit with lower ongoing expenses. However, this conclusion is contingent on the sale of the old residence, which has not yet been finalized at the time of the committee’s study. Moreover, the committee was not provided with the appraisal report for that property, despite some members explicitly asking for it, based on the government’s concerns that providing the information could affect its negotiating position.

Additionally, internal GAC emails and documents appear to indicate that Mr. Clark, in making informal comments about the old residence to mission staff, could have been seen as trying to exert some influence on the process. While the committee is not able to conclude that there was undue influence by Mr. Clark, it must be noted that the appearance of influence raises questions about the integrity of the process, notwithstanding whether the transaction made sense from an operational and fiscal standpoint. Mr. Clark himself suggested that it would perhaps be useful for HOMs to be

“told the obvious, which is, ‘Don’t interfere with the decisions that are properly being made elsewhere.’”

Based on the testimony above, the committee recommends:

Recommendation 1

Given that, in September 2025, the asking price for the property at 550 Park Avenue #12E, New York, NY 10065 was lowered to US\$7.9 million (approximately \$11.1 million), or by about \$2.2 million, that Global Affairs Canada update the committee within 30 days of the sale of this property with details on the transaction, including a) the final sale price and b) the complete comparative option analysis and underlying assumptions used to estimate net present value savings, together with a reconciliation showing how actual outcomes compare to the projections provided to the committee; and that the appraisal report of the property be shared in confidence with the committee immediately.

Recommendation 2

Given the testimony from Global Affairs Canada officials with respect to the value the department placed on “optics” during the purchase process of a new property in an area known as “Billionaire’s Row” amid an affordability crisis, that Global Affairs Canada consider the “optics” of purchasing property in its decision-making process when purchasing new property.

Recommendation 3

That Global Affairs Canada be required to obtain, and table with the committee, at least two independent third-party appraisals for all offshore property acquisitions and disposals over \$5 million, with one valuation sourced from a firm outside the host country to ensure impartiality. These valuations must be shared with the Treasury Board Secretariat and the committee.

Recommendation 4

That Global Affairs Canada update its Property Management Manual to: (a) codify a formal protective screen limiting the role of Heads of Mission in acquisition/disposal decisions; (b) require all mission input to be channelled in writing through designated property officials; and (c) preserve a complete audit trail of who initiated, drafted, reviewed, and approved all material communications so that informal or ambiguous



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references cannot be construed as influence. Global Affairs Canada should report back to the committee with the revised chapter and implementation plan.

Recommendation 5

That Global Affairs Canada regularly conduct value-for-money examinations of its real estate portfolio to assess whether it can proactively achieve cost savings for Canadians.

APPENDIX A: LIST OF WITNESSES

The following table lists the witnesses who appeared before the committee at its meetings related to this report. Transcripts of all public meetings related to this report are available on the committee’s [webpage for this study](#).

44th Parliament—1st Session

Organizations and Individuals	Date	Meeting
<p>Department of Public Works and Government Services</p> <p>Amélie Bouchard, Acting Chief Appraiser of Canada, Real Property Services</p> <p>Linda Jenkyn, Director General, Real Estate and National Capital Area Investment Management, Real Property Services</p> <p>Mark Quinlan, Assistant Deputy Minister, Real Property Services</p>	2024/08/20	134
<p>Treasury Board Secretariat</p> <p>Samantha Tattersall, Assistant Comptroller General, Acquired Services and Assets Sector, Office of the Comptroller General</p>	2024/08/20	134
<p>Department of Foreign Affairs, Trade and Development</p> <p>Mark Allen, Director General, North America</p> <p>Shirley Carruthers, Assistant Deputy Minister and Chief Financial Officer, Corporate Planning, Finance and Information Technology</p> <p>Stéphane Cousineau, Senior Assistant Deputy Minister, People and International Platform</p> <p>Robin Dubeau, Acting Associate Assistant Deputy Minister, Real Property and Infrastructure Solutions</p> <p>Robert McCubbing, Deputy Consul General, The Consulate General of Canada, New York</p>	2024/08/21	135

Organizations and Individuals	Date	Meeting
Douglas Elliman Real Estate Thomas Aabo, Licensed Real Estate Agent	2024/08/27	136
Miller Samuel Inc. Jonathan Miller, President and Chief Executive Officer	2024/08/27	136
Consulate General of Canada in New York Thomas Clark, Consul General of Canada in New York, United States	2024/09/12	137
Department of Foreign Affairs, Trade and Development Stéphane Cousineau, Senior Assistant Deputy Minister, People and International Platform Emily Nicholson, Director and Chief of Staff of the Associate Deputy Minister of Foreign Affairs	2024/10/03	143
Department of Foreign Affairs, Trade and Development Robin Dubeau, Acting Associate Assistant Deputy Minister, Real Property and Infrastructure Solutions Hon. Mélanie Joly, C.P., M.P., Minister of Foreign Affairs Sandra McCardell, Associate Deputy Minister of Foreign Affairs	2024/11/05	151
Department of Foreign Affairs, Trade and Development Robin Dubeau, Acting Associate Assistant Deputy Minister, Real Property and Infrastructure Solutions Karolina Guay, Former Chief of Staff to the Deputy of Foreign Affairs Franck Hounzangbé, Director General, Policy and Planning	2024/11/07	152
Department of Foreign Affairs, Trade and Development Robin Dubeau, Acting Associate Assistant Deputy Minister, Real Property and Infrastructure Solutions Karolina Guay, Former Chief of Staff to the Deputy of Foreign Affairs Franck Hounzangbé, Director General, Policy and Planning	2024/11/19	153

Organizations and Individuals	Date	Meeting
Consulate General of Canada in New York Thomas Clark, Consul General of Canada in New York, United States	2024/11/21	154

REQUEST FOR GOVERNMENT RESPONSE

Pursuant to Standing Order 109, the committee requests that the government table a comprehensive response to this report.

A copy of the relevant *Minutes of Proceedings* ([Meetings Nos. 5 and 6](#)) from the 45th Parliament, 1st Session and ([Meetings Nos. 134 to 137, 143 and 151 to 154](#)) from the 44th Parliament, 1st Session is tabled.

Respectfully submitted,

Kelly McCauley
Chair

