

Future of Aurora hotel faces significant hurdles

By Brock Weir

Owners of the former Howard Johnson's property on Yonge Street are proving to be a significant stumbling block in bringing a hotel to Aurora, according to Mayor Geoff Dawe.

Mayor Dawe addressed a number of concerns from local businesspeople last week on progress in establishing a new hotel to serve the needs of Aurora, but significant hurdles presented by existing landowners and the Region of York need to be addressed before there is real movement.

‘One of the first questions that comes up is what is happening with Howard Johnson’s,’ said Mayor Dawe. ‘The short answer is we don’t know. [The building and property] is owned by a gentleman who is most uncommunicative. They either don’t answer their phone, it goes to voicemail, or it just rings a bunch of times and hangs up itself. Unfortunately, we do not have any sense of what is going on with that property and it is most frustrating.’

This frustration is not just borne on the shoulders of Town Hall. Individuals, he said, have come forward with ideas on what to do with the property, but until the landowners get into the discussions very little can be done. According to Mayor Dawe, he was approached as late as last month by a person ‘most interested in re-energising it as a hotel,’ but there was no response from the landowner.

Other pitches have been made to transform the existing building into a seniors’ residence, and even into housing for those displaced by the Syrian refugee crisis, but to no avail.

‘It is unfortunate it is sitting there, and we can’t get access to it,’ said Mayor Dawe. ‘It is unfortunate, but that is just the lay of the land.’

Other opportunities to establish a new hotel exist in other parts of Aurora, he added. Indeed, a plot of land near Leslie Street and Wellington Street East has been earmarked for a hotel by several property owners. But, according to Mayor Dawe and members of municipal staff, significant development charges from the Region of York established for hotel construction have led to many of these plans being shelved.

‘There was an American company [interested in land near the present Shell station on that corner] but when the U.S. financial crisis hit, they pulled their horns in 2010,’ said Mayor Dawe of a proposal to build extended stay suites. ‘That property was sold to a small development company outside Mississauga that is mostly a small home builder, but they also had a hotel in Eastern Ontario. They were interested in moving forward, but they kind of fell off the planet. Anthony [Ierullo] (Aurora’s Manager of Long Range Planning) did his best to track them down on a number of occasions and were not successful in getting them to move forward.’

‘We went out and talked to a number of people to get them interested in putting something in this area. We were not successful in getting them to take that up. Just recently, we have had a number of people express interest, one from the Middle East and one from not too far away, to put a hotel in the Leslie and Wellington area. When they came in, the new DC issue was made very plain. If you were to develop a hotel in the Ajax area, it is about \$150,000. If you were to develop that same hotel in this area, whether it is here, Newmarket or Vaughan, it is almost \$2.8 million.’

This is due to the Region’s position of assessing the development of a hotel in the same way they do the building of small apartments, with a particular emphasis on the amount of water and wastewater a hotel is expected to use. This has been in place since approximately 2007, noted Mr. Ierullo.

‘No one would ever admit this but I think, quite frankly, it just wasn’t taken into consideration with respect to what the hotel charge was and the impact it would have on someone wanting to build one,’ said Mayor Dawe. ‘There will be a report coming back to Council in March with respect to DC referrals as to what we can do with that. We are working diligently because we do have

someone who is very interested in doing a hotel, but they can't make it work at the room rate they would have, which is about \$150 per night.?

One way to force the hand of the current owners of Howard Johnson's would be if their property taxes were in arrears, but these are paid up through 2014, noted Mayor Dawe.