

Development charges ?significant barrier? in bringing hotel to Aurora: report

By Brock Weir

As Aurora looks at ways to draw people into the community, the big question is, now that Aurora's hotel has closed its doors, just where they are going to stay.

According to a report before Council this week from Marco Ramunno, Aurora's Director of Planning, however, discussions are currently underway at Town Hall with a hotel investor proposing an 87 suite hotel near Highway 404, but current municipal development charges might pose a barrier to making it a reality.

Last year, Aurora approved a new bylaw updating development charges (DCs) across the board. DCs are funds paid by builders in order to develop in municipalities. These funds are often earmarked for specific purposes, particularly to account for future growth needs faced by the Town as a whole.

The changes impacted DCs for hotel developments to a charge equal to 50 per cent of the non-residential rate, plus further fees for each unit within a proposed hotel.

?The Town has been approached over the past several months by various investors interested in a hotel in Aurora,? said Mr. Ramunno. ?A number of groups have entered into advanced stages of planning, including the securing of sites, completing detailed financial analyses, engaging potential hotel brands and engaging an architect. These groups have highlighted the current development charges as a significant barrier to the construction of a hotel in Aurora.

?The Town is currently in discussions with a hotel investor that is proposing a 46,110 square foot, 87 suite hotel along the Highway 404 corridor. The investor is progressing through planning stages of the project and has indicated that the estimated development charge is extraordinary when compared to other GTA municipalities and a significant barrier to development.?

Comparative numbers in the report indicate York Region has significantly higher DCs when it comes to hotels and Aurora specifically is higher than its neighbours.

?Staff believe that current development charges are a barrier to the Town attracting a hotel and recommend Council take steps to address the issue,? said Mr. Ramunno. ?Staff have discussed the issue with York Region staff and understand that a very limited number of hotels have been approved under the current development charge policy. This further supports the assertion that the development charge is hindering the Region's ability to attract a hotel.?

A possible solution floated to Council is deferring development charges above and beyond what a hotel is required to pay compared to an office building of a similar size until such time as the business changes. If the proposed hotel comes to pass, it will result in a deferral of \$565,000-worth of DCs for the Town of Aurora.

The future of a hotel in Aurora ? whether a completely new building or the re-opening of the old hotel most recently operated under the Howard Johnson's banner ? has been a hot topic around Council in recent months.

Earlier this summer, Council demanded answers on the future of the former site and how it is being maintained by its owners following a rash of complaints from area residents.