

Final Library Square funding details will come in time: Town Hall

By Brock Weir

Final details on the full financing of the \$38.5 million Library Square redevelopment will come in time, according to municipal staff, but according to Councillor John Gallo, those details should have been on hand prior to any Council vote on the Square.

Councillor Gallo was one of only two Council members to vote against moving ahead with the redevelopment of the Library Square lands last week citing not the redevelopment itself, but that concrete details of how the funding will break down is yet to be fully solidified.

As The Auroran reported last week, the financial plan for Library Square includes a variety of components that will cover the project's current estimate of \$38 million.

The addition to the historic Church Street School, home to the Aurora Cultural Centre and Aurora Museum & Archives, is estimated to clock in at over \$27 million, and include a 250-seat performance hall, while the outdoor elements, including a trail-shaped skating rink, is estimated at nearly \$8.4 million.

One of the first options is a cash infusion of \$1.6 million from Development Charges, along with \$2.6 million from Community Benefit Fees paid by developers, \$7.1 million in reserves from the sale of municipal lands, a 20-year debenture of \$6.7 million, \$3.5 million from Hydro Reserves, a one-time tax increase of 1 per cent to cover the cost of the debenture, and a potential \$14 million in grants from the Federal Government.

The grant submission is currently working its way through the system, and there's no word whether the Town will be successful in its application and, until this is solidified, Councillor John Gallo said he was uncomfortable approving the plan.

?Should we get [the grant], it is an absolute no-brainer that we move forward with this project,? he said. ?However, unfortunately the way these motions are worded, whether we get that or not, we still move forward with this project and we still have to somehow make up \$14 million. I have [nothing] in front of me on how to make up the \$14 million, half the cost of the addition to 22 Church Street.

?It is my understanding we will know sometime in either June or July? and my desire to move this forward is huge, but I would prefer?to support these two projects subject to receiving those funds. If we don't do that, I need a solid financial

plan on how we're going to fund that \$14 million.?

To this end,
Councillor Gallo proposed two amendments to the motions before Council,
including making the final approval contingent on receiving this grant funding.

?The intent is
obviously to secure the funding and obviously if we don't have that funding to
have a solid financial plan, which would include a capital campaign strategy
because, as it stands, at least publicly?if we don't receive that \$14 million
we have no other plan.?

Although his motion
was seconded by Councillor Wendy Gaertner, it received no further traction
around the Council table as many members said that should this grant request be
unsuccessful, the backup plan has always been to make up the shortfall by
drawing from the \$30 million reserve fund created from the proceeds of the sale
of Aurora Hydro.

?I don't see any
reason to hamstring the motion to say, 'subject to receiving the grant funding'
at this point when there is still going to be a checkpoint in the next report
and the following report,' said Councillor Michael Thompson. 'We all know in
the procurement process you can tender it out and if you're not happy at that
point, still cancel a project. To me, at this point, we don't need to be too
specific on the funding. Yes, we're certainly going to have a capital campaign
to try and raise as much as we can. Yes, we're going to try and reach out and
get every grant we can and, when all that information is available, we will
make a decision on whether we're moving forward or not.'

Councillor Harold Kim
agreed that Councillor Gallo's motion could have the consequence of delaying
the Library Square project further.

?It is similar to
being offered zero financing for a car; why would you refuse that if the
opportunity presents itself, even if you can't pay for the whole thing?? he
said. 'The other source of funding, and it hasn't been specifically mentioned,
the Hydro Reserve is right there. For us to say that we're not going to move
forward unless we get free money from somewhere else, I think it is kind of
cowardly on us as a municipality.'

?If we truly want
this, are we saying we only want this if we have free money that we haven't
worked for? We sold a very important asset (Aurora Hydro) over a decade ago to
use it for a very important and critical milestone project for the Town and
this certainly qualifies for a significant project.?

Councillor Sandra

Humfries said she agreed, noting that Library Square was the 'perfect use' for Hydro Reserve money if the grant application is not successful. Similarly, Councillor Rachel Gilliland said that whether the Feds step up, or if the Hydro Reserves have to come into greater play, she would 'really, really hate to hold this up based on speculation.'

The Hydro Funds, agreed Councillor Gaertner, were meant for 'something wonderful and important for Aurora,' but she cautioned that since the interest from the reserves have been subsequently used to top of reserve funds and cushion the tax rate for local property owners, that drawing down the funds significantly could have further impacts down the line.

'I am not sure it is cowardly to want to explore the opportunity to get funding from different levels of government when that is what they have put money aside for,' Councillor Gallo concluding, addressing Councillor Kim's comments. 'I think it is a little ridiculous to suggest that's cowardly. What I think is irresponsible, actually is, funnily enough, the smallest part of this entire 150-page report is how we're going to pay for this.'

'I am jaded because I have gone through this experience before and three of the Councillors sitting at this table went through this experience before and I feel a little déjà vu because I said in the mic [years ago] having this exact same issue and we know how that ended up with the JOC. Yet, my colleagues?it doesn't seem to matter and I am quite surprised at that. I am happy to hear some things will be coming back and maybe there are some more opportunities to refine this and that's great. If that is the case, why are we actually putting a number in there right now? It just doesn't make sense to me.'

Nevertheless, Mayor Tom Mrakas said it made sense to him.

'For us to secure this Cultural Grant, we need to be firm on two thirds,' said Mayor Mrakas on the funding. 'I am the one who is going to have to sit down with our CAO, our MPP and the Minister to have these conversations to try and secure this funding. If we go in and say Council is really not sure unless we get this money, they're going to look at [the other shovel-ready applications].'

'As I have already stated, I am comfortable moving forward with the whole budget because I feel this is the right thing for the community, the right thing to do, and I am very, very comfortable in moving forward and approving the whole budget.'