

Joint Ops and youth centres could be built borrowing from Hydro fund

By Brock Weir

Aurora's joint operations centre and youth space could be financed by borrowing money from the Town's Hydro Reserves, following a decision made by Council last week.

Council approved borrowing from the Hydro Fund to finance the \$17.5 million Joint Operations Centre, slated to be built on Industrial Parkway North combining the operations of the Parks and Works departments, and nearly \$5 million of the \$7 million price tag for the planned youth space at the Aurora Family Leisure Complex.

Town Treasurer Dan Elliott, following Council's approval, will seek funding for the Joint Operations Centre through various grant programs, including the Green Municipal Fund. All other avenues, he added, would be looked at for financing these plans but if nothing more "attractive" comes forward, financing these things internally with their own detailed plan on payback, would be more beneficial than going through the banks and other lenders.

"The hydro funds are in reserve for no specific planned purpose at this time," he said. "It does not make sense for us to, with money in the bank, go out and borrow money. It is not tax deductible when we do that" so it makes more sense to borrow from ourselves when we have the cash unless I can find a better deal."

Mr. Elliott's plan includes repaying the debt to the Hydro Fund as money rolls in from an anticipated \$20 million sale of municipal lands near Leslie Street over the next decade, as well as funds that can be generated from the sale of the current site of the works department on Scanlon Court, just off Industrial Parkway near Wellington Street.

While the plan was ultimately approved by Council, it was passed just 5-4 with Councillors Chris Ballard, Evelyn Buck, Wendy Gaertner, and John Gallo objecting to the change of course.

Councillor Gaertner, for instance, a strong opponent to the community space for youth (otherwise known as "Youth Centre") plan reiterated her objections over financing a space which, she says, actually contains comparatively little space for youth. She also expressed doubts that all money anticipated from the sale of Scanlon Court could be realised because money out of that sale would need to be used for cleaning up the land.

Councillor Ballard, on the other hand, said he viewed the plan as a "workaround" to the strict rules put in place to govern how the Hydro money is spent.

While Mr. Downey said if and when the time comes to borrow this money, the rules regarding public consultation and hearings over its use would still be enforced.

Councillor John Gallo argued that had financing both facilities from the Hydro Funds been on the table when Council originally considered the proposals, it could have resulted in a very different outcome.

"This is not a novel concept," he said of financing. "This is not something that came about that we didn't know about. It is frustrating to see a funding model after we have already approved it to the tune of \$21 million."

Councillor Buck said while she was disappointed the Hydro money has languished in a bank account accruing very little interest while it was intended to replace Aurora Hydro with "an asset of equal value" to the community, she objected to the money being used in this way.

"I'm not happy the money is sitting there in a reserve fund all these years later and I am less happy to find Council contemplating borrowing the money," said Councillor Buck. "I am less happy when the last Council couldn't bring themselves to make a decision

and improve the quality of life for everyone in the Town of Aurora by providing an asset that would make a huge interest in the daily life for all generations. That hasn't happened yet and it is a serious disappointment to me, and I am sure, many people.?

Nevertheless, the plan was approved 5 ? 4. Speaking in favour of moving forward, Councillor Michael Thompson said internal financing made sense because it would ultimately result in lesser costs than going outside.

?We are the banker, the lender and the borrower all at the same time, he said.

From the perspective of Councillor John Abel, the ?vision? of doing something special with the \$33+ million Hydro Reserves has met with very little discussion so far, so using it as a ?revolving fund? to finance things that would benefit the community was something that should be considered.

?I would rather see these facilities done now,? he said. ?We are well committed to doing them and we're fortunate to have the hydro fund and we have assets in land. I am very comfortable with what is before us. We have to commit and address those issues. If we wait for 12 years for all the funds to come in, the costs could easily double and that is not serving our community.

?That is part of our job to evaluate that.?