

Long-planned new recreation centre will be difficult to fund: staff report

A new recreation complex serving the community, a long-held goal of the Town of Aurora's 10-year Capital Plan, is not affordable in the foreseeable future, according to municipal staff.

In a report before Council last week, Robin McDougall, Aurora's Director of Community Services, said Development Charges (DCs) that are paid to the Town by developers to account for needs related to growth, are a significant constraint for decisions on making large investments in facilities.

The new recreation centre is not affordable in the foreseeable future, said McDougall in a report providing lawmakers with further information on the single gym set to be constructed at the Stronach Aurora Recreation Complex. In the 2023 Budget, the new recreation centre included \$42 million for design and construction. Based on this cost, it was identified as not being financially feasible within the 10-year plan as outlined in the Reserves and Debt Management chapter of the budget.

Since the development of the Budget, we have compared the cost of this project to others in York Region. We would need roughly seven acres of land, which is currently valued at \$2.7 million per acre totalling an estimated \$18.9 million which is not currently budgeted and if we assume the recreation centre will be of similar scope to the one in East Gwillimbury, it was bid at \$67 million for construction.

This, she said, would result in a cost to Aurora of \$85.9 million for land and construction.

With or without the SARC gym, this would not be affordable for a significant period of time, and most definitely not within the next 10 years. We likely will not be able to afford this within the next 20 years without significant funding from upper levels of government or tax increases. With the exclusion of the new recreation centre, the SARC gym is an affordable option for the Town.

Affordability was a key sticking point in June as Council members wrangled with a budget for the SARC gym that is now approximately double the budget approved by the 2018-2022 Council due to volatility in the markets.

Among these related concerns were worries over how moving forward would impact DCs, but this extra context made it easier for lawmakers to digest.

Justifying moving forward with the SARC gym, Ward 4 Councillor Michael Thompson said over 6,000 additional residential units are currently in the pipeline already approved and, once these units are in place, the DCs will be in place to finance the gym as well.

DCs we collect are intended to offset the cost of increased municipal services and infrastructure required due to population growth resulting from new development, he said. But you do not want to wait until these units are built and the funds are collected before attempting to address the needs of the community because it can take years to go from concept to completion. We need to always be forward-thinking in planning for the future. We need to be taking action now so when those new residents do arrive there is no decline in services or support to our existing residents because of the additional pressures? That's why the DCs will sometimes appear to be in a deficit position because we are paying today for what we need tomorrow.

\$25,000 will come into municipal coffers for each of the 6,000 units, he argued, resulting in \$126 million.

There are a lot of needs that offset that amount, but what I can tell you is we will recover the full amount eligible from the gym from both current and future development. We should not only build the gym but start talking about what we build next because the clock is ticking.

Managing resources was key, Ward 1 Councillor Ron Weese agreed.

?The funding sources [in the initial discussions in early June] were questioned and the consequences of investing in this project are now clearly identified in order to manage our expectations, particularly those needed for the southwest quadrant where we have had a discussion about a recreation complex that was looked on as ?maybe we can't do that in the next 10 years or so.' Managing resources for Aurorans when they need them is important.?

Added Mayor Tom Mrakas: ?It doesn't mean that we end here; it means we continue after this one to look at how we continue to expand, how we continue to invest in our community.?

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