

Sports Dome deal will save taxpayers \$40,000 a year: Council

By Brock Weir

The privately-owned Aurora Sports Dome is set to become a 'municipal facility' in a deal expected to save taxpayers upwards of \$40,000 a year.

Council has given the green light to a staff recommendation which will see the Dome on Industrial Parkway North near the Aurora Family Leisure Complex declared a Municipal Capital Facility, closing a lease loophole which has seen the Town pay property taxes on behalf of the operator.

That deal has been the subject of years of Council debate, with some criticising the 15-year lease with the benefit of hindsight. While the amount of property taxes the Town 'and thus the taxpayer' has had to pay on the property has fluctuated according to MPAC assessments, the number currently stands at \$51,000 -- \$10,000 of which flows back into Town coffers, but the balance divided between the Region of York and education taxes.

'To me, it was a bad agreement,' said Councillor Wendy Gaertner, the lone incumbent survivor of the Council which originally executed the deal. 'I don't know how it turned out that the Town of Aurora ended up paying taxes for a private business, but we did.'

She expressed worry, however, that turning the Dome into a Municipal Capital Facility could set a challenging precedent down the line, considering there are only three years left on the present deal.

'To give them tax exempt status to save three years' worth of money means that whoever operates this dome in the future, the taxpayer won't make any money in taxes from them,' she said. 'It is too long into the contract. If it was at the beginning, it might make sense.'

Similar concerns were offered by Councillor John Abel, but from a different angle.

Both the Aurora Sports Dome on Industrial Parkway North and the new Marilyn Redvers Tennis Centre at Stewart Burnett Park are owned by Terry Redvers. Last year, his company came forward asking for a tax exemption for the new facility, but that report is yet to come back to Council because it has not been assessed by MPAC.

Granting a tax exemption to the Sports Dome could be grounds for the operators to push for a similar deal on the new facility, Councillor Abel argued.

'I have no knowledge of what the benefits are to the community, to the independent third party that is operating the domes. My concern is if we put this into a municipal capital status then we are somewhat obligated and perhaps there is a liability risk for the next one coming forward. I don't want to get into a situation where he could take us to court and say, if you did it for one and it is the same operation and you didn't do it in this one.'

Council was assured by staff, however, including Town Solicitor Patricia De Sario, that these would be looked at on a case by case basis.

In the end, the money set to be saved by taxpayers won out and converting the Dome into a 'Municipal Capital Facility' was approved on a unanimous vote.

'As the prior report stated, there are a number of differences between this sports dome and the other property and that is where that report got bogged down because there were a number of issues [raised],' said Councillor Michael Thompson. 'To me, this one was always the more straightforward one and I am in favour of this tax exempt status saving the municipality money. Should something occur in the future, we have the right provisions to take the necessary steps.'

Added Councillor Tom Mrakas: 'We are saving the taxpayers \$40,000 at the end of the day, so I do think it is a no-brainer. I just have concerns on whether it would be stuck there forever or whether we can make those necessary changes. My concerns have been answered and I am fine moving forward. I just wish we could go back in time and make a different decision.'

The three years left in the existing lease agreement are contingent on the life expectancy of the dome itself.

Previously, the land in question was known as the Legion Field and, operated by the Town, was not subject to taxes.

It became a different playing field, however, when the dome went up and became a commercial operation.

'The municipality is deeming that this use is consistent with a municipal use and we have a municipal interest in the property being used as such,' said CAO Doug Nadorozny on the change. 'As long as the municipality agrees that they have that interest in the property being operated that way the exemption would apply. I just can't see that being tied to a lease. That would be difficult to tie into a lease agreement. We could have a different party that uses it, we could have a change in lease and I don't think we would have to revisit the status as long as it continues to function in the same way and the Town has the same interest in its function.'