

Stormwater charges put some small- and medium-sized businesses in financial jeopardy: manager

Stormwater charges placed on plazas may put some small and medium-sized businesses in financial jeopardy, claims the manager of St. Andrew's Village.

The Town of Aurora is now looking at how stormwater charges are applied to businesses in plazas and shopping centres after tenants at St. Andrew's Village raised concerns earlier this year.

After these concerns were raised at Council, Ward 1 Councillor Ron Weese put forward a motion tasking staff to take a closer look at the situation, not just for tenants in the popular plaza in Aurora's northwest, but across the municipality as well.

“Currently we have at the plaza a very unique situation where the plaza is divided up into many, many units and each unit as small as I would say 800 square feet up until 20,000-plus square feet, [has] their own water metre,” property manager Ari Hofstedter told Council. “A lot of these tenants don't use a lot of water; they maybe use their washroom a few times a day and regardless of the water usage, the charge from the Town for the stormwater, which I understand is a fixed water metre charge, has been escalating over the last few years.”

When he began managing the property “four or five years ago,” quarterly bills would be between \$100 and \$200, but some bills have now reached upwards of \$420, he said.

“These tenants that are already struggling under economic conditions and we're living with very tight economic conditions right now, especially retailers,” he contended. “They've been pleading with me for years already, but now it's come to a point where it is just not manageable. I'm pleading on their behalf if the Town can do anything to somehow provide relief with these fixed water metre charges.”

“If we have no choice, I really don't want to go this route, but “for lack of any other solution, we may have to switch to bulk metre for the whole plaza, which would cut out those costs for the tenants. However, that's definitely not the preferred method. Such a method would result in quite a loss for the Town, probably over \$100,000 annually, just adding up all the water metre charges. I think it would be in the interest for both tenants and the Town if we can come towards some kind of middle ground where they're still paying the water metre charges, but with some kind of relief.”

Council passed a motion looking into doing just that at their most recent meeting.

In his motion, Councillor Weese recognized the concerns of tenants, stating that the fixed-rate stormwater charges “create a disproportionate financial burden on small and medium-sized local businesses as they pay the same as larger businesses, particularly in the context of rising operating costs.”

“The St. Andrew's Shopping Centre is a unique and long-established commercial hub within the Town of Aurora that provides essential goods, services, and employment opportunities to the community,” said Councillor Weese in his motion. “Municipal stormwater billing structures can be reviewed and adjusted through Council policy direction where unique site-specific or economic circumstances exist. Council has an interest in supporting the sustainability and economic vitality of local commercial tenants while maintaining fiscal responsibility and cost recovery principles for municipal services.”

The motion tasks staff with reviewing the concerns of St. Andrew's tenants, analysing options to reduce or eliminate such charges, assess the financial, operational, and legal implications of any proposed changes, including impacts on the Town's stormwater rate-supported budget; and consider if “similar relief measures may apply to other comparable commercial plazas or tenant configurations within Aurora.”

?St. Andrews Village is a unique shopping centre and a valued business centre in Town,? said Councillor Weese introducing the motion at the Council table. ?Tenants have expressed their concern over their viability. We ought to think about them. In Aurora, we value the shopping centre and the economic viability of all their tenants and supporting their businesses. I believe this is an example of where our ability to make the site-specific policy changes can be made, and I ask for support for this motion from my Council colleagues.?

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