

Council 'disappointed' in nixed NOHFC funding application for downtown plaza

A further report is expected in September after city staff review all options. Finding \$2 million from alternative funding sources might be a bit easier with recent announcements of new or updated funding from upper levels of government.

Author of the article:

Elaine Della-Mattia

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A conceptual drawing of Sault Ste. Marie's downtown plaza. PHOTO BY PHOTO PROVIDED

City staff will be sharpening their pencils to find \$2 million after receiving word from the Northern Ontario Heritage Fund Corp. that its application to fund the downtown plaza has been rejected.

NOHFC believes features of the proposed plaza can be found elsewhere in the downtown.

Tom Vair, deputy CAO of community development and enterprise services, dismissed the notion that the plaza will duplicate or negatively impact other venues in the downtown. Instead, he argues that the canal district and plaza can be complementary to each other with distinct and separate strategic purposes and the Roberta Bondar Pavilion is a major waterfront event space geared towards specific events, not necessarily a driver for downtown.

Vair's report to council Monday said alternatives under consideration include reducing the budget of the plaza and scaling down its features, finding other funding sources or a little of both.

But staff warns that reducing the plaza features will be difficult and seriously compromise the intent and success of the plaza.

A further report is expected in September after city staff review all options.

Finding \$2 million from alternative funding sources might be a bit easier with recent announcements of new or updated funding from upper levels of government.

With new-found funding of \$18 million towards the twin pad arena already announced, a new tourism and community revitalization program and a one time gas-tax payment top up for municipalities, the opportunity may exist to proceed with the project as planned, Vair said.

"Staff believes an opportunity exists to raise additional funds through other contributions and utilize a portion of the Canada Community Build Fund to enable the plaza to proceed," his report states.

There's also an option to follow city policy and borrow up to \$5 million for the project, but several city councillors indicated an unwillingness to use more of taxpayer dollars to do such.

With council's approval, staff is also immediately preparing to launch a fundraising campaign to raise \$600,000 for the project. Of that, \$200,000 has already been provided by the Rotary Club of Sault Ste. Marie.

He said the fundraising efforts will start immediately and the city will partner with the BIA, who is forming a subcommittee to assist with the fundraising project.

No end date for the fundraiser has been set, he said.

The plaza project has been billed by city staff as one that is critical to fulfill the downtown vision and continue with strategic development, encourage activity and build momentum for the downtown area.

City councillors voiced their disappointment with NOHFC's decision to reject the funding application.

Ward 2 Coun. Lisa Vezeau-Allen said she was disappointed with the decision but wants to embark upon the fundraising plan and examine options to finance the shortfall.

Ward 5 Coun. Corey Gardi said he too was disappointed with NOHFC's decision. "I believe it is a weak one."

Ward 2 Coun. Luke Dufour said the signature plaza plan is designed to be the focal point of the downtown and connect the waterfront, Queen Street and the merchants.

"This is a result of a four-year effort," Dufour said, and ties into the Bay Street renewal project, the planned investment in the farmer's market and revitalization of Queen Street.

Dufour said he's pleased to see staff continue to examine other funding options to keep the project whole.

Ward 3 Coun. Matthew Shoemaker said while he thinks the plaza is a good idea, he reiterated earlier remarks that he will only support it to the amount that it has been funded already.

"I approve the advancement of the fundraiser but I don't believe any additional tax dollars should be put into it," he said.

Ward 1 Coun. Paul Christian agreed, calling NOHFC's denial "short sighted."

"I'm perplexed on their decision making when they have provided funding and been involved in the revitalization of our downtown elsewhere," he said.

While Christian supports the project, he said there must be a tipping point to fund it and he too is also not willing to support any more money on it.

Mayor Christian Provenzano said he believes the plaza is incredibly important to the downtown, especially for businesses who have made significant investment into their properties.

"We owe it to them to invest in our infrastructure," he said.

Provenzano said a further report will be presented to city council in September with staff's recommendations on how to move forward with the project, including other funding options, or options to downsize the project.

"The health of a community's downtown is vital to economic development – it is one of the most important factors that businesses, labour force, students and youth use to assess the health of a community," Vair's report concluded. "The plaza project is a critical component of the downtown revitalization strategy and an opportunity to enhance the downtown for generations to come."

Ward 5 Coun. Matthew Scott was the only councillor who opposed moving forward with the resolution, which authorizes staff to submit relevant funding applications and commence with the fundraising campaign for the project.