

New owners, new start for River Run

By MAGGIE HANNAH
Herald staff writer

Approval is expected today for the sale of the financially troubled River Run housing development off River Drive in Georgetown.

L.V. Matukas of Lenhoff Investors Services Limited in Toronto told The Herald yesterday that a subsidiary of his company offered \$1,650,000 for the partially completed subdivision.

"The offer has been submitted and to the best of my knowledge it has been accepted," he said.

The deal could still develop snags however, until a Supreme Court ruling this morning which would authorize the sale under the Mechanic's Lien act.

If the court approves the sale Mr. Matukas said his company intends to

complete the project and sell the homes. A special project manager has been hired to look after the development and he should be able to start working within 14 days, he said. It will be the manager's job to call trades people and let tenders. Work on the project could be underway again within 21 to 30 days.

All the old contracts have been cancelled and it will be up to the manager whether former contractors will be re-hired or whether the work will go to different people.

TOO LOW

The 11.5 acre site containing 89 partially completed condominium units has been derelict since September and two previous offers of purchase had to be turned down as too low. Even at the present price the first mortgage holders,

the Bank of Montreal, will lose money over \$100,000.

In an affidavit presented last month Bank of Montreal accounts manager Bill Lunn said numerous acts of vandalism have occurred at the property because it was abandoned for so long and, with the arrival of warm weather, more problems could be expected. He said that "although the actual amount outstanding for principal, interest and preservation costs is well in excess of \$1,800,000" unless the bank took the drastic step of accepting a loss "the project may well become a derelict and will be extremely difficult to sell at a later date."

Mr. Matukas said that so far his company has no list of the names of previous purchasers but naturally they

will want to get in touch with these people if they can find them and see if they are still interested in buying a unit when it is complete.

River Run closed down last fall when L.J. Da Carlo, one of the partners in Abode 1, went bankrupt and the company couldn't meet its commitments to contractors.

FRAUD SQUAD

The Metropolitan Toronto Fraud Squad was called in to investigate Mr. Da Carlo's books and the project was barricaded off to prevent vandals from inflicting further damage.

Citadel Management Services president Ralph Ortlieb took over the attempts to sell the property in order to meet the creditors demands but two attempts to

sell it by tender had to be refused as too low.

The fact that the project was designed as an Assisted Home Ownership Project (A.H.O.P.) tied prospective builders' hands. The units had to sell for a specific price and delays and inflation had already eaten into much of the profit a builder would expect to earn on it, he told The Herald. It would take a very financially healthy company to be able to complete the project under the circumstances and this was one of the biggest problems in finding a buyer.

Creditors who sued the company under the Mechanics' Lien Act will receive nothing since the sale has not produced sufficient funds even to satisfy the first mortgage holders.

Part of the condition for the sale, Mr. Ortlieb said, would be that the purchaser would undertake to carry out the original plan for the property. That would include completion of the 89 units and an additional 50 units which have not yet been started.

Metro Fraud Squad Sergeant Bill Barr said that many months of investigation of books of the 150 or more companies which Mr. DaCarlo owned has convinced him that the man may be guilty of fraud. However, at this point the crown attorney isn't content with the evidence and thus the case is still under investigation.

A Toronto television station is working on a documentary on the police investigation of the case because it has been so lengthy and so involved, Sgt. Barr said.

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This Week

Issues discussed

This week the three major candidates in the Brampton-Georgetown riding met with Herald staff writers to discuss their stands on the major issues of the current election campaign. The candidates wrestle with the issues of medicare, energy, stimulating the economy and, their opposition parties' competence.

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Optimist honors

The Georgetown Optimist Club honored both civilians and police for their efforts on behalf of the local force throughout the past year.

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Moscow bound

Centennial Middle School wrestling coach Jim Hall, along with 14 other Canadians, will be travelling to Moscow to study their approach to the sport.

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Builder award

Nominations for the Halton Hills Sports Builder Award have closed. Fourteen individuals and one group have been nominated. The names of the three finalists will be printed in next week's Herald.

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Highland games

Four years ago, Bill Miller says he was coerced into getting involved in the local Speyside Highland Games. Now getting ready for the games is one his great relaxations and pleasures. He discusses the games and his interest in them in this week's installment of "Halton's People".

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Town unveils new library/theatre plan will modify old library building, site



GARDENING TIME AGAIN

John Cornish is happy to be out in his garden again. Mr. Cornish who is 90 years old, was out digging up the garden Monday afternoon to plant potatoes, and took some time to prune his flowering almond bush. He grows a little bit of everything in

the garden, and has enough potatoes each year to give some away. He says he should probably be selling them, "but I've got a really good bunch of neighbors, who're good to me, and I can do something for them this way."

(Herald photo by Lori Taylor)

By PAUL DORSEY
Herald staff writer

Years of controversy may be over as the Georgetown Public Library and adjoining property have been recommended as the site for Halton Hills' new combined \$1.5 million arts and crafts, theatre and library complex.

Subject to approval by town council next Tuesday, municipal officials will open negotiations for the purchase of three private homes on Church and Market Street which occupy part of the land needed for the planned 23,000-square foot complex and parking lot.

At a special well-attended meeting Saturday morning, the town's general committee unanimously accepted the first of two options recommended by Bailey Consulting Associates Ltd., architect Keith Wagland and architectural consultant Harold Kalman. The committee chose the existing library site near downtown Georgetown over a vacant, three-acre site adjacent to Gordon Alcott Memorial Arena on Highway 7.

Included in the proposal is an 8,000-square foot, 300-seat theatre facility estimated to cost \$480,000, a 14,000-square foot library which will cost \$700,000 and a 1,000-square foot exhibition gallery for arts and crafts shows, estimated to cost \$50,000.

OVERALL PRICE

Added to the overall price tag is the \$200,000 cost of the land's acquisition and development and \$70,000 worth of furnishings, plus operating costs expected to total \$22,500 a year.

If approved by council, the complex must be financed partially by public subscription, with \$184,300 to be raised in a funding campaign which the Georgetown Rotary Club and the Halton Hills Arts Council have already offered to conduct.

The balance of the costs will be paid out of the \$400,000 debenture issued to council in 1975 for the library's restoration, now worth \$316,500 with the interest added; \$307,000 collected in the form of lot levies and pledged to the new

complex; and \$400,000 in provincial grants and subsidies.

Officials of the Rotary Club Arts Council, Georgetown Little Theatre, Georgetown Choral Society, University Women's Club, Credit Valley Artists, Georgetown Area Ratepayers Association, Nornic Studio for the Performing Arts and Halton Hills Public Library Board address the committee in turn Saturday, each endorsing the concept as recommended by the consultants.

Also sanctioning the proposal was Janet McIntosh, chairman of the Concerned Citizens Library Study Group, which prepared a report on the need for a new or expanded library facility in Halton Hills and concluded that a library should be combined with the cultural centre under consideration by council.

The involvement of the Georgetown YM-YWCA in the complex proposal was briefly discussed after the committee had been told that the group was not interested in sharing a site near the downtown core. An official of the YM-YWCA questioned the statement and suggested that the group should have been consulted beforehand.

PRIVATE HOMES

As recommended by the consultants, private homes and properties at 54 and 64 Market Street and at 6 Church Street would have to be purchased and two of them demolished to clear the way for an expansion to the existing library building and a new parking area.

The acquisition of adjoining properties would expand the width of the existing library site from 132 feet to 200 feet. Its depth would remain unchanged at 130 feet. The consultants recommended the "rearrangement" of the expanded site to accommodate a parking lot for 60 cars, noting that another 90 vehicles could be parked along streets within a one-block radius of the site.

The recommended option enables council to retain the existing library building as a public library, which was a condition of the original deed

Town pledges funding for Acton hall

The payment of \$40,000 to assist in the restoration of Acton's century-old town hall has been recommended by the town's general committee.

After a lengthy debate Monday night during which allegedly parochial comments made by some councillors raised the ire of those representing Ward 1 (Acton), the committee agreed to earmark \$40,000 in the town's 1980 budget as its share of the estimated \$200,000 restoration cost, adding the condition that the availability of provincial grants must first be assured for the project.

Dr. George Elliott, chairman of the Acton Town Hall Restoration Committee, reminded the general committee that a financial commitment is needed from the municipality before the Ontario Heritage Foundation and the Wintario Foundation will further consider grant applications.

ANTICIPATE GRANTS

The MTC Restoration Committee is anticipating approximately \$116,666 worth of grants from the ministry of culture and recreation, Wintario and the Heritage Foundation, comprising the bulk of the funds needed to restore the historic town hall on Willow Street. Used in recent years as a seniors' drop-in centre and a police precinct station, the red brick structure was ordered closed in 1977 because of potential safety hazards.

The general committee responded to Dr. Elliott's presentation by recommending the \$40,000 allocation for approval and sanctioning council's designation of the building as a community centre. The recommendation, subject to council's approval next week, would also see a special committee of council established to meet the restoration committee and finalize details of the project.

Initial opposition to the allocation of municipal funds was

offered, however, by Coun. Pat Patterson, who refused to support further tax impositions upon the town's rural residents to pay for urban facilities, and by Coun. Roy Booth, who demanded answers to several questions before he endorsed the move.

Coun. Booth took exception to Dr. Elliott's contention that council would realize a much better return on its \$40,000 investment if it elected to restore, rather than demolish the building, as is also being considered.

"The alternative expenditure of \$40,000 for demolition would result in a blank wall and a postage stamp-size parking lot (on the town hall's old site)," Dr. Elliott commented.

GREATLY EXCEED

Coun. Booth said maintenance costs for the restored town hall would greatly exceed those for the parking lot, which in itself is needed for Acton's volunteer firefighters as well as downtown shoppers as the hall is restored, he asked, where would its patrons park their cars?

Acton's much-discussed

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Buses through Georgetown considered by committee

By PAUL DORSEY
Herald staff writer

Municipal officials have obtained a \$113,300 per year maximum estimate on the cost of operating a public urban transit system in Halton Hills, but private financial commitments may be needed before town council supports the idea.

The town's general committee Monday night heard the results of an urban transit

feasibility study updated by the provincial ministry of transportation and communications (MTC) for the second time recently in response to council's request.

MTC project planner John Schaal admitted that urban transit, although provincially-subsidized, is an expensive undertaking for any municipality and acknowledged that the cost of implementation has

risen substantially, due largely to inflation, since the first feasibility study was conducted here in 1972.

URBAN TRANSIT

Although Coun. Mike Armstrong and others suggested that the urban transit concept may as well be "buried" immediately, the majority of committee members voted to have town staff prepare a report on the concept and survey local businesses and service clubs as to their interest in co-funding such a system.

For its updated transit study the MTC prepared estimates for three different levels of servicing in the urban Georgetown area. All three systems would cover a basic bus route stretching from the corner of Delrex Boulevard and Gairy Drive to the Mill Street-Main Street intersection downtown,

and all three would involve an average suggested fare of 30 cents per passenger.

The estimated costs of the service range from \$113,300 a year for the MTC's recommended option, utilizing two buses during peak periods operating every half-hour, to \$81,000 for a greatly reduced service level. Those costs are up from \$90,500 and \$64,800, respectively, since 1976, when the study was last updated.

The MTC report predicts that more than 139,000 riders would benefit from their recommended option each year, contributing \$41,600 in fare revenue. Of the \$71,500 deficit that would result annually, the municipality would have to pay \$43,200 and the MTC the balance.

Extending the transit system

Continued on page three

STOP THE PRESSES FOR ELECTION NEWS

Because of our plans to bring you complete local election coverage, the May 23 edition of The Herald will arrive at your home Wednesday afternoon.

Our usual early morning arrival time will resume Wednesday, May 30.