Original rec center funding conditions

From "Original December, 2016 Recreation center proposal", page 10 available on this link:
[Montreal West | Village-Project v1 (laos-village-project.com).](laos-village-project.com)
Items identified by numbers are referenced on the second page.

Costs and the Effect on Our Taxes

1 As Council has stated numerous times, this project will not go ahead without significant government funding. As it stands, the new program under which we have applied generally provides a grant of 66%. That means the Town (and by extension, we the taxpayers) would have to absorb 1/3 of the cost.

Estimates for the whole project (building, pool, soccer field, basketball court, demolition costs, landscaping and professional fees) come in at $20M after sales tax recovery. We specifically asked that the estimate ensure there are substantial contingencies for unforeseen expenses. That means we would have to fund approximately $7M outside government grants. 2

Therefore, to finance this project, if we do not raise any of that $7M from private sources or use any of our accumulated surplus, the net effect on the average Montreal West tax bill (property valuation of $608K in 2016) would be approximately $230 per year in a "special tax" over 25 years. 3 If we are able to fundraise $1.5M privately and use $1.5M of our accumulated surplus the net effect on the average tax bill would be approximately $130 per year in a "special tax" over 25 years. 4

	Grants at 66%		Grants at 66%		Grants at 66%		Grants at 66%		Grants at 66%		Grants at 66%		Grants at 66%		Grants at 66%	
Cost		$19,134,594		$19,134,594		$19,134,594		$19,134,594		$19,134,594		$19,134,594		$19,134,594		$19,134,594
GST		$956,730		$956,730		$956,730		$956,730		$956,730		$956,730		$956,730		$956,730
TVQ		$1,908,676		$1,908,676		$1,908,676		$1,908,676		$1,908,676		$1,908,676		$1,908,676		$1,908,676
Total Cost		**$22,000,000**		**$22,000,000**		**$22,000,000**		**$22,000,000**		**$22,000,000**		**$22,000,000**		**$22,000,000**		**$22,000,000**
GST Recovery	100%	-$956,730	100%	-$956,730	100%	-$956,730	100%	-$956,730	100%	-$956,730	100%	-$956,730	100%	-$956,730	100%	-$956,730
TVQ Recovery	50%	-$954,338	50%	-$954,338	50%	-$954,338	50%	-$954,338	50%	-$954,338	50%	-$954,338	50%	-$954,338	50%	-$954,338
Net Cost		$20,088,932		$20,088,932		$20,088,932		$20,088,932		$20,088,932		$20,088,932		$20,088,932		$20,088,932
Private Donations		$0		-$500,000		-$500,000		-$1,000,000		-$1,000,000		-$1,500,000		-$1,500,000		-$2,000,000
Payment from Surplus		$0		$0		-$500,000		-$500,000		-$1,000,000		-$1,000,000		-$1,500,000		-$2,000,000
Net Loan By-Law		$20,088,932		$19,588,932		$19,088,932		$18,588,932		$18,088,932		$17,588,932		$17,088,932		$16,088,932
LTD Service																
Interest Rate		3%		3%		3%		3%		3%		3%		3%		3%
Amortization (years)		25		25		25		25		25		25		25		25
Annual Payment		$1,140,317		$1,111,935		$1,083,554		$1,055,172		$1,026,790		$998,408		$970,027		$913,263
Government Grants																
Grant	66%	$13,258,695	66%	$13,258,695	66%	$13,258,695	66%	$13,258,695	66%	$13,258,695	66%	$13,258,695	66%	$13,258,695	66%	$13,258,695
Interest Rate		3%		3%		3%		3%		3%		3%		3%		3%
Amortization (years)		25		25		25		25		25		25		25		25
Annual Grant		$752,609		$752,609		$752,609		$752,609		$752,609		$752,609		$752,609		$752,609
Net Increase LTD Service		**$387,708**		**$359,326**		**$330,944**		**$302,563**		**$274,181**		**$245,799**		**$217,417**		**$160,654**
Impact on Tax Bill																
$500,000 evaluation		$187		$173		$160		$146		$132		$119		$105		$77
$608,000 evaluation		$227		$211		$194		$177		$161		$144		$127		$94
$750,000 evaluation		$280		$260		$239		$219		$198		$178		$157		$116
$1,000,000 evaluation		$374		$347		$319		$292		$264		$237		$210		$155

1 The **2/3rds** figure for grants as a percentage of total cost was calculated using the grant, **$13,258,695**, and the $22M cost net of GST/PST tax rebates, **$20,088,932**:

13,258,695*100/20,088,932 = 66.0%

2 The **$7M** to be funded outside of government grants was calculated as:

20,088,932 – 13,258,695 (grants) = $6,830,237 (rounded up to $7M)

3 For the actual conditions that the Town was presenting, the $7M net new debt would be reduced by the **$1.5M each** from fundraising and the accumulated surplus giving **$3,830,237**,

6,830,237 – 3,000,000 = $3,830,237 (net new debt)

4 The Town was working with the values in the 2nd column from the right, which for the average single family dwelling – highlighted in green, would give a tax increase of **$127** which they rounded up to **$130**. This later morphed down to **$100**, presumably as the Town felt there might be greater fundraising.

5 The Loan bylaw for this accounting, which changed in the 2023 proposal, deducts tax rebates, fundraising and money taken from the accumulated surplus, to give: **$17,088,932**.