

Total Project Budget

The table below presents the Total Project Budget required to construct the new Crystal Pool and Wellness Centre at the three proposed sites.

The Total Project Budget accounts for all expenses related to design, construction, equipment, and commissioning cost estimates. These costs are consistent across all options, reflecting general uniformity in amenities, features and gross building area. Additionally, the budget includes an allowance for construction market escalation to mitigate the impacts of inflation and anticipated market increases.

As part of a comprehensive risk management strategy, the Total Project Budget was developed in collaboration with two quantity surveyors and cost management firms: LEC Group and Advicas Group. Both firms are based locally and have extensive experience in the construction industry across British Columbia. Furthermore, oversight of the budget development process was provided by Turnbull Construction Project Managers.

The table below does not include the alternative options to close the pool at the start of construction for the Central Park South and Caledonia site options, and provide partial service continuity at the Crystal Garden building. Opting for closure of the existing facility during construction would decrease the Total Project budget for these options by \$2.6 million for Caledonia and \$4.1 million for Central Park South.

Total Project Budget (millions)			
Project Component	Central Park North	Central Park South	Caledonia
Pre-Construction & Soft Costs	\$17.7	\$16.6	\$19.2
Construction Costs	\$120.0	\$123.4	\$124.6
Post Construction & Commissioning	\$15.7	\$16.1	\$20.0
Contingencies	\$24.0	\$24.7	\$25.0
Escalation	\$31.8	\$31.0	\$41.5
Service Continuity of Existing Facility ¹	N/A	\$4.1	\$2.6
Total Project Budget	\$209.2	\$215.9	\$232.9
Funding from the Debt Reduction Reserve	-\$30.0	-\$30.0	-\$30.0
Net Cost Funded by Debt	\$179.2	\$185.9	\$202.9

¹ These costs are only associated with maintaining service continuity at the existing facility for the Central Park South and Caledonia site options.

Property Tax Implications

A thorough financial analysis has been conducted to evaluate multiple borrowing scenarios for each proposed site for the new Crystal Pool. As part of the proposed funding strategy, the City would utilize \$30 million from the Debt Reduction Reserve to mitigate the overall impact on property taxes. The financial strategy anticipates property tax increases over four to five consecutive years, depending on the chosen site. The estimated property tax is based on the average 2024 residential and business taxes.

The Central Park North option will result in the lowest property tax impact. The operating savings from the early facility closure would be utilized to phase in the required tax increases over five years. Once the new building is open, the average residence would pay a total tax of \$256 per year for 20 years, and the typical business would pay \$660 per year.

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Description	Net Cost Funded by Debt ¹	Year 1	Year 2	Year 3	Year 4	Year 5	Estimated Tax Increase	Estimated Annual Cost of Borrowing ²
Central Park North (Service Continuity at Crystal Garden)	\$179,200,000	2.00%	2.00%	2.00%	1.49%	0.51%	8.00%	\$15,200,000
	<i>Average residential</i>	\$64	\$64	\$64	\$48	\$16	\$256	
	<i>Typical business</i>	\$165	\$165	\$165	\$123	\$42	\$660	
Central Park South (Service Continuity at Existing Facility)	\$185,900,000	2.07%	2.90%	2.90%	0.42%	-	8.29%	\$15,750,000
	<i>Average residential</i>	\$66	\$93	\$93	\$13	-	\$265	
	<i>Typical business</i>	\$171	\$239	\$239	\$34	-	\$683	
Caledonia (Service Continuity at Existing Facility)	\$202,900,000	2.26%	3.17%	3.17%	0.45%	-	9.05%	\$17,200,000
	<i>Average residential</i>	\$72	\$101	\$101	\$14	-	\$288	
	<i>Typical business</i>	\$186	\$261	\$261	\$37	-	\$745	

¹ Based on utilizing \$30 Million from the Debt Reduction Reserve Fund against the Total Project Budget

² Estimated borrowing costs calculated using MFA 3.6% capitalization rate and 4.92% interest rate over 20 years