



**News Release**  
February 21, 2019

## **Town Council Accepts Offer to Purchase Kinsmen Community Centre**

### **Acceptance of Purchase Offer is Conditional on Completion of Sale and Construction Agreement**

*(February 21, 2019 – Ponoka, Alberta)* – Ponoka Town Council passed a resolution at its regular meeting last week confirming its intent to sell the Kinsmen Community Centre and approximately 1.26 acres of surrounding land used for parking.

In accordance with the Town's Land Disposition Policy, at its February 12 meeting Council accepted an offer to purchase the Kinsmen Community Centre and 1.26 acres of surrounding lands, for the amount of \$510,000 from Cash Foods Ltd. The sale of the property is subject to the execution of a sale and construction agreement between the Town and Cash Foods Ltd. The agreement, which is being prepared by the Town solicitor, will be reviewed by the Town and purchaser and then brought back to Council for endorsement.

The process of selling the Town-owned property is outlined in the Town's Land Disposition Policy. In keeping with that policy, the Kinsmen Community Centre property was declared by Council at its January 22 meeting to be surplus to the needs of Ponoka. The property was then advertised on the Town website and on the public notice board at the Town Office as surplus property with an appraised value of \$500,000, as established by an independent qualified appraiser in August 2018.

The sale and construction agreement will outline the purchaser's obligations to renovate and utilize the property for its intended purpose as commercial and retail space. Before Cash Foods can begin developing the property, it will be required under the sale and construction agreement to apply for subdivision of the Kinsmen Community Centre property from the adjacent Seniors Centre building and land which is also owned by the Town. Following subdivision, application and approval for development and building permits will also be required.

### **Underutilized Facility; Annual Operating Losses**

"The reason for selling the Kinsmen Community Centre is because the building has consistently been underutilized and has been posting operating losses for several years," says Town of Ponoka Mayor Rick Bonnett. He notes the facility is an aging building with no future plans for Improvements. Financials from 2013 to the end of 2018 show an annual operating deficit for the Kinsmen Community Centre averaging \$15,300 per year.



### **Sale Will Generate New Assessment and Tax Income**

“Council has been stating for some time that we want to liquidate properties that are losing money and are underutilized. Selling the building to Cash Foods will increase the amount of commercial and retail activity downtown, bringing more people to shop and work in Downtown Ponoka. We received a fair purchase offer for the building that is above the property’s appraised value, and the sale will generate new assessment and increased tax income for the Town going forward,” says Mayor Bonnett.

Facility usage records in 2018 show that almost half of bookings (79) at the Kinsmen Community Centre were by the Town of Ponoka for events such as open houses and meetings. Multi-use space in the new Ponoka Civic Building can now accommodate the Town’s space requirement for these types of events.

### **Other Community Facilities Available**

In 2018, 81 private bookings occurred at the Kinsmen Community Centre with a low of only one booking in August and a high of 12 bookings in October. Mayor Bonnett notes there are other facilities in Ponoka and the surrounding area to meet the needs of community organizations and individuals who previously booked the Kinsmen Centre to host events and functions. These alternative facilities include the Hudson’s Green Community Activity Centre, the Royal Canadian Legion Branch 66, the Stagecoach Saloon on the Stampede grounds, the Calnash Trucking Ag Event Centre, the Moose Hall, and various halls operated by churches and service clubs in Ponoka.

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