



Changes to Incentive Program for Major Home Renovations Allow More Ponoka Residents to Qualify

Major Renovations that Increase Property Assessment Value by 20 Per Cent Qualify for Tax Incentives

(September 28, 2020 – Ponoka, Alberta) – Ponoka Town Council has lowered the qualification threshold on its Assessment Increase Incentive for Major Home Renovations so more local citizens can qualify for property tax breaks under the program.

The incentive is part of the Town's New Resident Attraction and Incentive Program. The program aims to attract new residents to move to Ponoka by offering property tax breaks and financial incentives to home buyers who move to Ponoka from outside of the municipality and to people who build new homes in town. The program also encourages existing residents to complete major renovations on their homes which increase their property assessment value.

Until now, those renovations had to increase the property's total assessment value by at least 50 per cent. However, Council has now lowered that qualifying limit to only 20 per cent and excluded land from the assessment value calculation. Residents who complete renovations between March 15, 2020 and December 31, 2021, which increase their property assessment value by at least 20 per cent will now receive a 75 per cent reduction on the increase in the municipal portion of their taxes in Year 1; a 50 per cent reduction on the increase in Year 2; and a 25 per cent reduction on the increase in Year 3.

"We want as many of our residents to qualify for the tax incentive as possible," said Ponoka Mayor Rick Bonnett. "It creates economic activity locally. It also encourages more of our citizens to renovate their homes, which in turn helps beautify our community and increases the Town's overall assessment base," he added.

Examples of major renovations that may qualify for the program include:

- Finishing a basement;
- Building an attached or detached garage;
- Building an addition to increase square footage of a home;
- Major kitchen renovations; and
- Complete renovation of a main living area.

Five New Residents Welcomed to Ponoka Last Week

Since launching the New Resident Attraction and Incentive Program earlier this month, the Town has already begun welcoming new residents who qualify for incentives under the program. Last week, five new residents who moved to Ponoka from locations such as Calgary, Edmonton and Blackfalds, qualified to receive grant payments under the program by purchasing resale homes in Ponoka. The Town has also already begun receiving program applications from citizens who have purchased a newly-built home in Ponoka and are completing major renovations on their home.

"It's exciting to see that the program is working," said Mayor Bonnett. "By attracting new residents, encouraging the construction of new houses and encouraging major renovations on existing homes, Ponoka is increasing its tax and assessment base, and generating new revenue to help our community grow and thrive



into the future. Attracting new residents also increases the number of people who shop at our local businesses, which helps build a stronger local economy,” he added.

Buyers of resale homes who move into the home from a municipality outside of Ponoka can receive a one-time-per-property New Resident Grant of \$1000, or \$500 in the case of a manufactured home purchased in a manufactured home park.

Buyers of newly-built homes that the owner occupies as their primary residence can receive a 75 per cent reduction on the municipal portion of their property taxes in Year 1 following the purchase of the new home; a 50 per cent reduction in municipal taxes in Year 2; and a 25 per cent reduction in municipal taxes in Year 3. The New Build Property Tax Incentive is available to new and existing residents of Ponoka.

Marketing Campaign to Target City Dwellers

The Town is currently marketing the new program through realtors across central Alberta. The goal is to persuade new home buyers who are looking for homes in central Alberta to choose Ponoka. The Town also plans to promote the New Resident Attraction and Incentive Program to potential new residents in larger urban centres outside of Ponoka through a marketing campaign that will be launched in the coming weeks.

The marketing campaign will target the growing number of city dwellers who are working from home due to the pandemic and are attracted to the idea of living in a smaller community where housing costs are more affordable, taxes are lower, there are plenty of parks, trails and green spaces, and COVID infection rates remain low.

“Our marketing campaign will be targeted at those people and will promote Ponoka’s strengths, such as our high-speed fibre optic internet access that makes working from home easy, our central location on Highway 2 less than an hour from Edmonton, and our scenic river valley trail system,” said Mayor Bonnett.

If you have questions about Ponoka’s New Resident Attraction and Incentive Program, such as whether a major renovation planned at your home will qualify, please phone the Tax Clerk at 403-783-0127 or send an email to taxes@ponoka.ca.

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