

**CALGARY
ASSESSMENT REVIEW BOARD
DECISION WITH REASONS**

In the matter of the complaint against the Property assessment as provided by the *Municipal Government Act*, Chapter M-26.1, Section 460(4).

between:

Altus Group Limited, COMPLAINANT

and

The City of Calgary, RESPONDENT

before:

H. Kim, PRESIDING OFFICER

D. Pollard, MEMBER

J. Pratt, MEMBER

This is a complaint to the Calgary Assessment Review Board in respect of a Property assessment prepared by the Assessor of the City of Calgary and entered in the 2010 Assessment Roll as follows:

ROLL NUMBER:	067048405
LOCATION ADDRESS:	716 6 Ave SW
HEARING NUMBER:	59988
ASSESSMENT:	\$1,880,000

This complaint was heard on the 14th of December, 2010 at the office of the Assessment Review Board located on the 4th Floor, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 1.

Property Description:

The subject property is a 6,505 SF vacant lot located mid-block between two large buildings on the north side of 6 Ave SW in the DT2 East zone of downtown Calgary. It is assessed at the DT2E land rate of \$290/SF with no influences.

Issues:

The Complainant identified a number of issues on the Complaint form; however the disclosure contained only issues with respect to the whether the parcels should be assessed on a rate per buildable SF and whether the land rate should be adjusted for lack of access. At the hearing the rate per buildable SF was not pursued in detail, and the only issue argued was whether the parcel should have a -25% allowance for access/limited uses.

Complainant's Requested Value: \$1,300,800 revised to \$1,410,000 at the hearing.

Board's Decision in Respect of Each Matter or Issue:**Complainant's position:**

The subject parcel is on the north side of 6th Avenue SW, and the Land Use Bylaw prohibits vehicular access to parcels on the north side. The parcel is 50' x 130' and it is difficult to build on a 50' wide parcel. It could not be developed to CM-2 densities - likely the most practical use would be single storey retail, but it would suffer from no access and having a bus stop in front. The subject parcel is currently used for parking for the Britannia building located across the street at 703 6 Ave SW. The two properties sold together in April 2007 for a total price of \$39,500,000 which is less than the current aggregate assessment of \$40,010,000.

Historically, the subject property was not appealed because it was assessed appropriately with a -30% adjustment applied to the base land rate. The 2009 assessment was \$1,460,000 or \$225/SF, a -30% adjustment on the 2009 land rate. This adjustment was not applied in 2010.

The Complainant presented assessment summaries of two parcels at 5910 11 St SE and 3000 Sunpark Plaza SE to show the -25% adjustment for limited access/uses allowances applied to other vacant parcels. The Complainant requested this also be applied to the subject parcel.

Respondent's position:

Limited access/uses (ACC) is not applied in the downtown. The Respondent presented the 2010 Downtown Influence Chart to show which influences are applied. All parcels on the north side of 6th Avenue in the downtown are not permitted vehicular access to 6th Ave but they have access from the lane. It would be inequitable to apply an access adjustment to one parcel when all the other parcels have the same limitations. The Respondent presented site plans of the

Complainant's comparables to demonstrate that they did not have public right of way access at all, not comparable to the subject.

The 30% adjustment in previous years was an error. The Respondent presented the Assessment Request for Information (ARFI) return for the Britannia Building to demonstrate that the parking on the subject site was not listed at all, and there was no indication that the stalls were in any way tied to the Britannia Building.

The Respondent presented equity comparables of vacant land in DT2 East to demonstrate that other parcels of the same size or smaller than the subject are also assessed at \$290/SF. The Respondent stated that there is no reason to give an allowance for this parcel and requested the assessment be confirmed.

Complainant's rebuttal:

The equity comparables show an ACC influence applied to a parcel at 931 3 St SW, therefore the limited access/uses influence is applied in the downtown. The other smaller parcels may be individually worth less but are contiguous and therefore able to be developed, unlike the subject.

Decision and Reasons:

The Board does not agree that restricted access to 6th Ave SW justifies an allowance, as all properties on the north side have that limitation, and the parcel has access from the lane. However, the Board agrees that the narrow size of the subject, coupled with its "landlocked" location between two large buildings, limits the development potential for the subject parcel. A review of the addresses of the equity comparables show that other small vacant parcels are adjacent to each other and whether or not they are currently owned by a single property owner, could be developed to CM-2 potential once assembled.

The Board is of the opinion that the value of vacant land is influenced by its development potential. A vacant parcel between two large buildings is less likely to be assembled for redevelopment and its development potential would be based only on the single parcel. Accordingly, the Board finds an adjustment for shape/reduced functionality is appropriate. The allowance for SPR in the Downtown is -15% and applied to the assessment to reflect the characteristics and physical condition of the subject parcel.

Board's Decision:

The complaint is allowed, in part, and the assessment reduced to \$1,590,000.

DATED AT THE CITY OF CALGARY THIS 22 DAY OF December 2010.


H. Kim
Presiding Officer

APPENDIX "A"**DOCUMENTS RECEIVED AND CONSIDERED BY THE BOARD:**

NO.	ITEM
C1	Complainant Form
C2	Complainant's submission
R1	Respondent's submission

APPENDIX 'B'**ORAL REPRESENTATIONS**

PERSON APPEARING	CAPACITY
Giovanni Worsley	Altus Group Limited, Complainant
Dorian Thistle	Assessor, City of Calgary, Respondent

An appeal may be made to the Court of Queen's Bench on a question of law or jurisdiction with respect to a decision of an assessment review board.

Any of the following may appeal the decision of an assessment review board:

- (a) the complainant;*
- (b) an assessed person, other than the complainant, who is affected by the decision;*
- (c) the municipality, if the decision being appealed relates to property that is within the boundaries of that municipality;*
- (d) the assessor for a municipality referred to in clause (c).*

An application for leave to appeal must be filed with the Court of Queen's Bench within 30 days after the persons notified of the hearing receive the decision, and notice of the application for leave to appeal must be given to

- (a) the assessment review board, and*
- (b) any other persons as the judge directs.*