

**COMPOSITE
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, Section 460, Revised Statutes of Alberta 2000 (MGA).

between:

Dat Coon Club (as represented by Wernick Omura Limited),
COMPLAINANT

and

The City Of Calgary,
RESPONDENT

before:

C. J. Griffin, PRESIDING OFFICER
J. Massey, MEMBER
Y. Nesry, MEMBER

This is a complaint to the Composite Assessment Review Board (CARB) in respect of a property assessment prepared by the Assessor of The City of Calgary and entered in the 2012 Assessment Roll as follows:

ROLL NUMBER: 068568542
LOCATION ADDRESS: 201 116 – 3rd Avenue SE
HEARING NUMBER: 66177
ASSESSMENT: \$1,400,000.

This complaint was heard on 10th day of July, 2012 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 11.

Appeared on behalf of the Complainant:

- B. Boccaccio

Appeared on behalf of the Respondent:

- L. Cheng
- M. Ryan

Property Description:

[1] According to the *Property Assessment Summary Report* (Exhibit C-1 pg. 20), the subject property is categorized as being a CS06102 Condo - Office with an **Average** quality rating. The property is 6,383 Sq. Ft. in size. The Year of Construction (YOC) is recorded as 1981 and the underlying site is reported as being 0.23 acres in size. The property has been valued, for assessment purposes, through application of the Direct Comparison (Sales) Approach.

Issues:

[2] The issues before the CARB are that the Assessment Class is incorrect and it should be returned to its previous Residential Class and the assessed value is too high and not reflective of Market Value.

Complainant's Requested Value: \$517,140.

Party Positions:**Complainant's Position**

[3] The Complainant provided the CARB with a history of the property owner, the *Dat Coon Club* and explained that this club is a non-profit organization that has been in existence since 1919. He explained that the property in question is a condominium unit that is used by the *Dat Coon Club* as a meeting place for senior citizens and that the space is used only for this purpose. The *Dat Coon Club* provides magazines, tables and chairs and, occasionally a light meal. The space is not used for marketing or for the manufacture or sale of any goods. The occasional meals that are served are provided free of charge. The classification of the property was changed, by the Assessor, from residential to non-residential and this was done at the well intentioned, but misguided, request of the former business manager for the club who was seeking accuracy in the property description. As a result of the property being re-classified, the property taxes have increased by approximately 400% in a single year. The Complainant went on to explain that the *Dat Coon Club* has applied to the Province of Alberta to obtain **exempt status** as it relates to property taxes but that they have yet to hear back on this matter. While the assessed amount is a concern, the main issue is to request that the property be returned to its previous residential classification. In terms of the assessed value, the Complainant provided the CARB with six sales (Exhibit C-1 pg. 19) of properties he deemed comparable to the subject. The Complainant acknowledged that four of his six comparables are post-facto to the valuation period and two of these same sales were also court ordered sales. The other two sales the Complainant referred to were both sold in late 2011 and they are located in very good proximity to the subject.

Respondent's Position

[4] The Respondent acknowledged that the assessment classification had indeed been changed but that this change was made at the request of the property owner as is supported by the documentation in his Exhibit R-1 at page 8. In terms of the assessed value, the Respondent presented (Exhibit R-1 pg. 13) six sales of properties deemed comparable. All six of these sales have good proximity to the subject property and all six were sold within the valuation period. These sales produce a Mean value indication of \$248/Sq. Ft. and a Median indication of \$240/Sq. Ft. which support the assessed value of \$220/Sq. Ft. for the subject. Based upon the evidence provided Mr. Ryan requested the CARB confirm the assessed value.

Board's Decision:

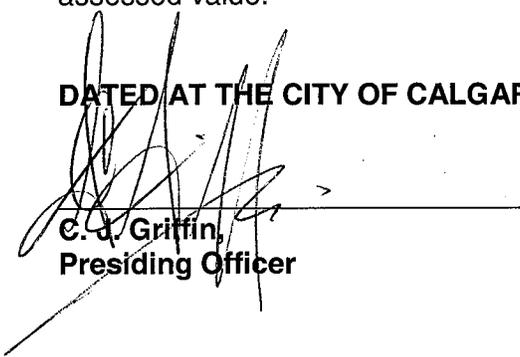
- [5] The assessment is **confirmed at: \$1,400,000.**
The Assessment Class is **changed to Residential.**

Decision Reasons:

[6] The CARB is of the judgment that the change in Assessment Class did stem from a request to do so by the property owner; however, this request did not consider the dire consequences of a very significant increase (approx. 400%) in the property tax level. The CARB is disappointed that the Assessor would make such a significant change without further consultation with the property owner. While the CARB acknowledges that the letter (Exhibit R-1 pg. 8) does request the change in Assessment Class, it also goes on to request the Assessor "...to investigate and amend it as necessary..." The letter also provides the Assessor with the contact information for the property owner's representative. The *Dat Coon Club* appears to be a non-profit organization, in existence since 1919, that may well qualify for property tax exempt status and the CARB would encourage them to apply for same with the City of Calgary at their earliest opportunity.

[7] Insofar as the assessed value is concerned, the CARB finds the evidence of the Complainant to be very weak as most of the sales referenced are either post-facto to the valuation period or they involve court ordered sales. As a result of the foregoing the CARB does **not** find the evidence of the Complainant to be sufficient to warrant a change to the assessed value.

DATED AT THE CITY OF CALGARY THIS 1 DAY OF AUGUST 2012.


C. A. Griffin,
Presiding Officer

APPENDIX "A"**DOCUMENTS PRESENTED AT THE HEARING
AND CONSIDERED BY THE BOARD:**

NO.	ITEM
1. C1	Complainant Disclosure
2. R1	Respondent's Disclosure

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.*

For MGB Administrative Use Only

Decision No.1106-2012-P			Roll No068568542.	
<u>Subject</u>	<u>Type</u>	<u>Issue</u>	<u>Detail</u>	<u>Issue</u>
CARB	Office Condo	Assessment Class	Sales Evidence	Market Value