



## **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, Section 460, Revised Statutes of Alberta 2000 (the Act).

**between:**

***Petro-Canada Exploration Inc., COMPLAINANT***

**and**

***The City Of Calgary, RESPONDENT***

**before:**

***R. Fegan, PRESIDING OFFICER***

***P. McKenna, BOARD MEMBER***

***A. Zindler, BOARD 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 2013 Assessment Roll as follows:

<b>ROLL NUMBER:</b>	<b>073213803</b>
<b>LOCATION ADDRESS:</b>	<b>5300 17 AV SE</b>
<b>FILE NUMBER:</b>	<b>70379</b>
<b>ASSESSMENT:</b>	<b>1,150,000</b>

This complaint was heard on the 3<sup>rd</sup> day of July, 2013 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 6.

Appeared on behalf of the Complainant:

- No one appeared for the Complainant

Appeared on behalf of the Respondent:

- A. Hendrata

**Board's Decision in Respect of Procedural or Jurisdictional Matters:**

[1] No procedural or jurisdictional matters were raised.

**Property Description:**

[2] The subject property is a parcel of vacant land comprised of approximately 14,316 square feet located on the northeast corner of 17 AV SE and 52<sup>nd</sup> Street SE. The property has a land use designation of Commercial Corridor 2 (C-COR2).

**Issues:**

[3] The issues before the Board were those of market value and equity. The Complainant believes that the current list price of the subject property, as well as sales of similar properties, is proof that the assessed value exceeds market value for the subject property. Statements in the Complainant's evidence indicated that the City planned to take a substantial portion of the property for street enhancements.

[4] The evidence contained an equity analysis of 5 similar properties.

**Requested Value: \$715,800**

**Board's Decision:**

The complaint is allowed in part and the assessment is set at \$910,000.

**Legislative Authority, Requirements and Considerations:**

[5] The Board proceeded with the hearing in the absence of the Complainant under the provisions of MGA 463.

**Position of the Parties**

**Complainant's Position:**

[6] The evidence provided by the Complainant indicated that the subject property was first listed for sale by the owner in 2008 for \$1,390,000. That list price has been reduced over the years to a current list price of \$700,000. There was a chain of e-mails in the Complainant's package providing some of the details regarding the listing (exhibit C-1, pages 36, 37 and 38).

[7] The Complainant's evidence package included an analysis of six vacant land sales that supported, in part, the requested assessment.

**Respondent's Position:**

[8] The Respondent pointed out that two of the Complainant's sales comparables were improved at the time of the sale and that three of the Complainant's sales comparables had a different land use designation in place at the time of the sale. The Respondent provided a list of 9 vacant land sales throughout the city all with C-COR1 or C-COR2 zoning. The median sale price of these sales was \$75.43 per square foot.

[9] The Respondent provided the Board with a chart showing the breakdown of land rates applied to the various land sizes of each parcel in both C-COR zones (R-1 page 13). The first 3,000 square feet is assessed at a rate of \$122 per square foot, the next 17,000 square feet at \$65.00 per square foot and any remaining area at \$10.00 per square foot.

**Board's Reasons for Decision:**

[10] There was insufficient evidence for the Board to consider the impact of the potential corner cut and street improvements said to be required by the City of Calgary.

[11] The Board had questions regarding the list price and marketing practices of the listing broker for the subject property. However these questions went unanswered due to the absence of the Complainant. Accordingly the Board placed little weight on the list price of the subject.

[12] The Board found that despite the differences in the land use designations of the Complainant's comparable sales, a number of them were former gas station sites.

[13] The Board noted from the Respondent's submission that some of the Complainant's sales were improved at the time of the sale, however the Board found that if anything the improvements would have increased the value of these properties and the resulting sale price per square foot of land would be higher than if the property had not been improved.

[14] The Board found that four of the five equity comparables provided by the Complainant were located on 17 AV SE and that all of the comparable properties had substantial retail improvements. All of the comparable properties had the same C-COR2 land use designation as the subject property. These properties were improved and had a lower assessment per square foot of land than the subject property. Accordingly, the Board found the Complainant's comparables indicate the subject property is not equitably assessed.

[15] The Board noted that the size range of those sales used in the Respondent's analysis ranged from 2,367 to 63,079 square feet.

[16] The Board found that both parties had included the sale of 5103 Elbow Dr SW in their analysis. The Board found this property to be similar to the subject due to the fact that it was a former gas station site on a corner lot, it had a C-COR-1 land use designation, and it was similar in size to the subject (13,904 square feet versus 14,306 square feet). The Board found that this sale provided the best indication of the market value for the subject property and used the time adjusted sale price of this site to calculate the revised assessment of the subject property.

DATED AT THE CITY OF CALGARY THIS 1 DAY OF August 2013.

*R. Fegan*

R.. Fegan

Presiding Officer

**APPENDIX "A"**

**DOCUMENTS PRESENTED AT THE HEARING  
AND CONSIDERED BY THE BOARD:**

<b>NO.</b>	<b>ITEM</b>
1. C1	Complainant Disclosure
2. R1	Respondent 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.*