

## **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:

***Wigalo Holding Ltd., (as represented by Assessment Advisory Group 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>068110808</b>
<b>LOCATION ADDRESS:</b>	<b>301 10 AV SW.</b>
<b>FILE NUMBER:</b>	<b>71868</b>
<b>ASSESSMENT:</b>	<b>\$4,190,000</b>

This complaint was heard on the 4<sup>th</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:

- S. Cobb (Assessment Advisory Group Inc.)
- D. Bowman (Assessment Advisory Group Inc.)

Appeared on behalf of the Respondent:

- L. Wong (City of Calgary)

**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 consisting of 18,159 square feet with a land use designation of CC-X. It is located at 301 10 AV SW, in an area known as the Beltline. The subject property has a location code of BL-3 (Beltline 3). The property is currently used as a parking lot.

**Issues:**

[3] The two issues raised in this complaint are market value and equity.

**Requested Value: \$3,720,000.**

**Board's Decision:**

[4] **The complaint is allowed and the assessment is set at \$3,720,000.**

**Position of the Parties**

**Complainant's Position:**

[5] The Complainant argued that the significant increase in the assessed value from 2012 (\$2,950,000) to 2013 (\$4,190,000) was not supported by market evidence. The Complainant also argued that the City had selected 2<sup>nd</sup> ST. SW. as an arbitrary boundary and applied dramatically different land value rates on one side of 2<sup>nd</sup> ST. SW. than they had used on the other side of the street. Properties on the east side of 2<sup>nd</sup> Street are assessed at a base rate of \$160 per square foot while properties on the west side of 2<sup>nd</sup> Street are assessed at a base rate of \$220 per square foot.

[6] The Complainant provided a similar property directly across 2<sup>nd</sup> Street, that is assessed using a base rate of \$160 (221 10 AV SW) while the subject is assessed using a base rate of \$220 per square foot.

[7] The Complainant provided a chart with 6 recent sales of similar properties in the Beltline, indicating an average sale price of \$195.00 per square foot. The requested assessment is based on this figure of \$195.00 per square foot.

[8] The Complainant pointed out that although the assessed land rates increased as you moved west from 2<sup>nd</sup> street, the rates charged for parking in the area actually declined as you moved west, although no direct evidence of this was provided.

**Respondent's Position:**

[9] The Respondent provided a map of the Beltline area showing the various neighbourhoods and the coding that the city had applied to each neighbourhood. The main areas of contention in this Complainant were BL-2, BL-3, and BL-4. In previous years the same rate had been applied to the three areas however in 2013 the rate applied to vacant land in BL-2 was lower than the rate used in the other two areas. (\$160 versus \$220)

[10] The Respondent provided five sales, four from BL-2 and one from BL-8 which indicated a median sale price of \$166.64 per square foot. The Respondent also provided five sales, two from BL-3 and three sales from BL-4, with a median sale price of \$220.45.


**Board's Reasons for Decision:**

[11] The Board acknowledges the assessor's right, or even his responsibility, to establish different land rates in different economic zones within the City. The Board also recognizes the need for fairness and equity in the application of assessed values. In this case both parties agreed that values in the Beltline increased as you travel west from 2<sup>nd</sup> Street to 8 Street; however, they differed on where the values changed and by how much. The position of both parties indicated this increasing trend as you moved west.

[12] The Board found that to justify the application of a rate of \$160 on the east side of 2<sup>nd</sup> Street and \$220 on the west side there must be market evidence showing that the values do change to that extent within that distance. The Board found that the evidence of both parties indicated an increase in value as you moved west but the value change took place over a much longer distance.

[13] The Board took particular note of the sale of 214 11 AV SW; it was used by both parties. This sale occurred only six days after the effective date for assessment purposes, it was in close proximity to the subject and it had the same land use designation as the subject property. The Board found that this sale provided a strong indication that the value of the subject property was less than the \$220 per square foot used to assess the subject.

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

  
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**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.*