



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:

1029139 ALBERTA LTD., (as represented by Altus Group Limited),

COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

**PRESIDING OFFICER, T. Hudson
BOARD MEMBER, D. Julien
BOARD MEMBER, P. Pask**

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 2014 Assessment Roll as follows:

ROLL NUMBER: 201797784

LOCATION ADDRESS: 1141 17 AV SW

FILE NUMBER: 74554

ASSESSMENT: \$3,520,000

This complaint was heard on the 11th day of August, 2014 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Board room 3.

Appeared on behalf of the Complainant:

- *Ms. D. Chabot, Agent, Altus Group Limited*

Appeared on behalf of the Respondent:

- *Mr. C. Fox, Assessor, City of Calgary*
- *Mr. R. Urban, Assessor, City of Calgary*

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

[1] The Parties requested, and the Board agreed, to carry forward the information and argument in respect of complaint file #76692, in considering a decision on this file #74554.

Property Description:

[2] The subject property is a 0.27 acre parcel of vacant commercial land used as a parking lot, and located in the BL6 submarket of the Beltline community at 1141 17 AV SW.

[3] The property is currently assessed based on land value.

[4] Details of the assessment include 11,772 sf. of land area assessed at a unit rate of \$285.00 per square foot (psf.), plus a +5% corner lot influence adjustment.

[5] The total assessed value is \$3,520,000 (rounded).

Issue: Market Value

[6] The Complainant contends and that the current land value assessment exceeds market value, and should be based on a unit rate of \$241 psf.

Complainant Requested Value: \$2,830,000 (rounded).

Board's Decision:

[7] The assessment is reduced to **\$2,970,000 (i.e. based on \$241psf., and a +5% corner lot influence adjustment).**

Legislative Authority, Requirements and Considerations:

[8] The Composite Assessment Review Board (CARB) derives its authority from Part 11 of the Act:

Section 460.1(2): Subject to section 460(11), a composite assessment review board has jurisdiction to hear complaints about any matter referred to in section 460(5) that is shown on an assessment notice for property other than property described in subsection (1)(a).

[9] For purposes of the hearing, the CARB will consider the Act Section 293(1):

In preparing the assessment, the assessor must, in a fair and equitable manner,

- (a) apply the valuation and other standards set out in the regulations, and*
- (b) follow the procedures set out in the regulations.*

[10] The Matters Relating to Assessment and Taxation Regulation (MRAT) is the regulation referred to in the Act section 293(1) (b). The CARB consideration will be guided by MRAT Part 1 Standards of Assessment, Mass appraisal section 2:

An assessment of property based on market value

- (a) must be prepared using mass appraisal,*
- (b) must be an estimate of the value of the fee simple estate in the property, and*
- (c) must reflect typical market conditions for properties similar to that property.*

Position of the Parties

Complainant

[11] The Complainant argued that the land rate applied in the assessment of the subject property should be based on the sale values of comparable properties with similar zoning and located in or close to the BL6 submarket in the Beltline.

[12] The Complainant identified three of nine sales used in the Respondent's land rate study to be the most comparable to the subject property. The sale properties are located in the BL4 submarket, in close proximity to the subject. There were no sales in BL6, (Exhibit C2, page 14).

[13] The sale prices for the comparable properties range from \$112.82 psf., to \$248.86 psf., with a median sale price of \$241.19 psf., (Exhibit C2, page 16).

[14] The six remaining sales in the Respondents land rate study are located closer to downtown in the BL3 submarket, and the sale prices range from \$215.38 psf., to \$375.40 psf., with a median sale price of \$317.95 psf., (Exhibit C2, page 15).

[15] The Complainant submitted recent CARB decisions 74670P-2014, and 74668P-2014 which confirms the Complainant's view that there is a clear difference in land value between the BL3 and BL4 submarkets, (Exhibit C2, pages 3-12).

[16] The Complainant identified the best sale comparable to the subject property because of CC-COR zoning, as the property located at 1515 8 ST SW in BL4, that sold for \$241 psf., (Exhibit C1, pages 24-35).

Respondent

[17] The Respondent explained that all non-residential properties in the City are assessed equitably at no less than the basic threshold land value.

[18] The Respondent submitted their BL3, BL4, BL6, and BL7 Land Rate Study, that resulted in the adoption of an assessed rate of \$285 psf. for all vacant land parcels within these Beltline submarkets as at July 1, 2013, (Exhibit R1, page 12).

[19] The Study includes nine sales, six in BL3, and three in BL4. There were no sales during the valuation period in BL6 or BL7.

[20] The Respondent argued that location, parcel size or zoning do not appear to influence property sale prices within these submarkets, and therefore the median rate of \$285 psf., reflects both market value and assessment equity, (Exhibit R1, page 10).

Board Reasons for Decision

[21] The Board accepts the evidence of the Complainant that there is a clear difference in land values between the BL3 and BL4 submarkets in the Beltline.

[22] Given that there were no sales in BL6, the Board also accepts that the median of the BL4 sale prices (i.e. \$241 psf.), plus a +5% corner lot influence adjustment, provides a reasonable estimate of market value and assessment equity for the subject property, based on proximity and similar zoning.

DATED AT THE CITY OF CALGARY THIS 19th DAY OF September 2014.



T. B. Hudson

Presiding Officer

APPENDIX "A"

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

NO.	ITEM
1. C1	Complainant Disclosure
2. R1	Respondent Disclosure
3. C2	Complainant Rebuttal

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. 74554P-2014			Roll No.201797784	
<u>Subject</u>	<u>Type</u>	<u>Sub-Type</u>	<u>Issue</u>	<u>Sub-Issue</u>
CARB	Vacant Land	Parking Lot	Market value	Sale Comps