

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:

Alain's Shoe Repairs Ltd. (as represented by Altus Group Ltd.), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

Board Chair; J. Zezulka
Board Member; R. Deschaine
Board Member; D. Julien

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: 101022606

LOCATION ADDRESS: 5327 - 2 Street SW

FILE NUMBER: 75427

ASSESSMENT: \$394,000

This complaint was heard on 25 day of August, 2014 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 2.

Appeared on behalf of the Complainant:

- K. Fong; Agent, Altus Group

Appeared on behalf of the Respondent:

- E. Deltorio; Assessor, City of Calgary

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

- (1) At the request of both parties, all information and argument pertaining to file number 75375 was carried forward for purposes of this complaint.

Property Description:

- (2) The subject property is 5,476 s.f. undeveloped, rectangular site in the Manchester community of SW Calgary. The site is separated from Mcleod Trail by a concrete retaining wall. The subject's access is from 2 Street SW. The site is set aside by the City for future road expansion. Currently, the site is held under lease by the adjoining property and business and is used to provide access to the neighboring building.

- (3) The subject site is assessed using the sales comparison approach to value, using typical land rates for the district. The City has applied a shape factor adjustment of minus 25 per cent.

Issues / Appeal Objectives

- (4) The Complainant is requesting an additional 25 per cent minus adjustment in the assessment because the subject is a residual parcel.

Complainant's Requested Value:

- (5) \$250,000

Board's Decision:

- (6) The assessment is confirmed..

Legislative Authority, Requirements and Considerations:

- (7) This Board derives its authority from section 460.1(2) of the Act.

- (8) Section 2 of Alberta Regulation 220/2004, being the Matters Relating to Assessment and Taxation Regulation (MRAT), states as follows;

*"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"

(9) Section 467(3) of the Act states;

"An assessment review board must not alter any assessment that is fair and equitable, taking into consideration
 (c) the assessments of similar property or businesses in the same municipality."

(10) For purposes of this Complaint, there are no extraneous requirements or factors that require consideration.

Position/Evidence of the Parties

Complainant's Position:

(11) The Complainant's position is that the subject property is not a developable parcel, and is used almost exclusively for access to the adjoining Stampede Boot outlet. The Complainant argues that the subject is, in fact, a residual parcel that should be assigned a nominal value.

Respondent's Position:

(12) The Respondent explained that there is no longer a nominal value policy in the City because MRAT states that the valuation standard for land is market value.

(13) The Respondent submitted no market evidence that could be used to support the assessment. However, the Complainant did not question the base land rate applied. . .

(14) The Respondent added that the existing reduction for shape had been applied in error and would be removed for the 2015 assessment.

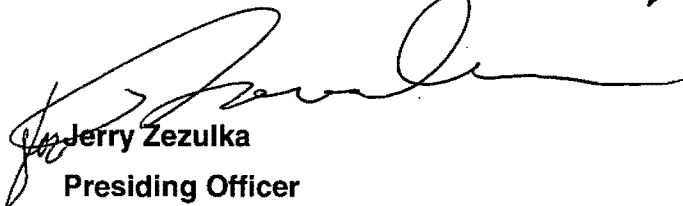
Board's Reasons for Decision:

(15) The site has no detrimental attributes that detract from its utility or developability.

(16) The Complainant's request for an additional reduction because it is a residual parcel has no basis in fact. The City's description of influence adjustments describes "residual parcel" as an adjustment "*applied to parcels which are remnants of a subdivision or consolidation which have little/no potential on their own.*" In the Board's opinion, that description does not apply to the subject.

(17) The fact that the subject has been set aside by the City for future roadway is a consideration. Typically, there is no open, competitive market for public use lands, simply because any form of development is precluded by the planning authorities. At the same time, the subject is a physically developable site, and there are no plans for roadway expansion in the foreseeable future. For the time being, the subject provides a useful purpose to the adjacent property, and should be assessed accordingly.

DATED AT THE CITY OF CALGARY THIS 23rd DAY OF September 2014.


 Jerry Zezulka
 Presiding Officer

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

NO.	ITEM
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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.*

For MGB Administrative Use Only

<i>Decision No. CARB 75427P/2014</i>			<i>Roll No. 101022606</i>	
<u>Subject</u>	<u>Type</u>	<u>Issue</u>	<u>Detail</u>	<u>Issue</u>
CARB	Land	Required parking for access to adjacent property	N/A	Valuation Methodology Influence adjustments