



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:

395919 Alberta Ltd., COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

R. Fegan, PRESIDING OFFICER

Y. Nesry, BOARD MEMBER

J. Rankin, BOARD MEMBER

These are two complaints 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: 032500506
032500605

LOCATION ADDRESS: 2013 39 AV NE
2015 39 AV NE

FILE NUMBER: 75969
75936

ASSESSMENT:

Hearing # 75969: \$662,000
Hearing # 75936 \$662,000

These complaints were heard on the 15th day of July 2014 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

Appeared on behalf of the Complainant:

- C. Burgoin

Appeared on behalf of the Respondent:

- R. Luchak, (Assessor 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 two properties that are the subject of these complaints are units # 6 and # 7 in condominium plan # 7611226. The building was constructed in 1976 with ten condominium units. The two units that are the subject of this complaint are adjacent to one another and operate as one premises. There is no demising wall between the units. The space is primarily one storey space with a mezzanine area on the second floor which is partially finished.

Issues:

- [3] 2015 39 AV NE, has no water service from the city.
[4] 2015 39 AV NE, has no sewer connection.
[5] 2015 39 AV NE, has no washroom facilities.
[6] 2015 39 AV NE, has no independent gas connection.
[7] 2015 39 AV NE has no independent electrical service.
[8] The assessed value of these units is higher than other bays in the same building with the same levels of development.

Complainant's Requested Value: Hearing # 75969 \$575,000
Hearing # 75936 \$575,000

Board's Decision: The complaints are allowed and the assessments are revised to:

Hearing # 75969 \$575,000

Hearing # 75936 \$575,000

Legislative Authority, Requirements and Considerations:

[9] Section 293 of the Act requires that:

- (1) in preparing an 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] Matters Relating to Assessment and Taxation Regulation (MRAT) states:

Mass Appraisal

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.

The valuation standard for a parcel of land is

- (a) market value, or

If the parcel is used for farming operations, agricultural use value.

Position of the Parties

Complainant's Position:

[11] The Complainant described the deficiencies within the subject premises and the various space types and the approximate size of each area. There are four general areas of space in the premises. Open high bay warehouse area on the main floor, open low bay warehouse area under the mezzanine, office space on the second floor and open mezzanine on the second level.

[12] The Complainant provided numerous pictures to support his argument regarding the correct description of the space involved and the condition of the space involved.

[13] The Complainant listed a number of deficiencies within the subject such as the concrete floor on the ground floor, and the lack of a demising wall, and the fact that only one of the units had full plumbing and electrical services in place.

Respondent's Position:

[14] The Respondent informed the Board that the assessed areas in the subject properties had been revised based on a site visit by an assessor in late 2013 and that the 2014

assessment was based on the revised areas.

[15] The Respondent advised the Board that the subject units had been assessed using a city wide regression model for commercial condominium units and variables such as age size location and space type were considered in the model.

[16] The Respondent also provided numerous pictures of the subject property to support his opinion that much of the space in the subject property could readily be used as office or retail space.

[17] The Respondent provided copies of the legal description of the subject showing that each unit contained 3,000 square feet.

Board's Reasons for Decision:

[18] The Board noted that the subject properties were constructed in 1976 and had been operated as one single unit since that time. The Board noted that because each of the units had separate titles, each unit is assessed separately. The Board found that a considerable amount of work would need to be completed prior to both of these units being able to function or be sold as separate condominium units. The Board found that the assessed value did not properly reflect the characteristics or the physical condition of the subject property and accordingly reduced the assessed value to the requested amount.

DATED AT THE CITY OF CALGARY THIS 28th DAY OF July 2014.


R. Fegan

Presiding Officer

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

NO.	ITEM
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.*

CARB Identifier Codes

Decision No.		Roll No.		
<u>Complaint Type</u>	<u>Property Type</u>	<u>Property Sub-Type</u>	<u>Issue</u>	<u>Sub-Issue</u>
CARB	Commercial	Condominium	Market Value	Physical Condition

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