



**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:**

**HUSKY OIL LTD.**  
**(as represented by Cushman and Wakefield Inc.)**

**COMPLAINANT**

**and**

**THE CITY OF CALGARY**

**RESPONDENT**

**before:**

**T. SHANDRO, PRESIDING OFFICER**  
**J. RANKIN, 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 2014 Assessment Roll as follows:

**ROLL NUMBER: 077000404**  
**LOCATION ADDRESS: 740 – 19 Street SE**  
**FILE NUMBER: 76256**  
**ASSESSMENT: \$3,070,000**

This complaint was heard on June 30, 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:

- J. Goresht, Agent, Cushman and Wakefield Inc.
- S. Ubana, Agent, Cushman and Wakefield Inc.

Appeared on behalf of the Respondent:

- M. Byrne, Assessor, The City of Calgary

#### **Procedural or Jurisdictional Matters**

[1] There were no preliminary or jurisdictional matters arising in this matter.

#### **Property Description**

[2] The subject property is a parcel of vacant land located in the community of Inglewood, which is 29,602 square feet ("SF"). It was assessed using the AT1 commercial land value rates at \$125/SF up to 20,000 SF and \$45/SF for the remainder. The assessment was adjusted by 5% for being a corner lot.

#### **Issues**

[3] The Board identified the issue as follows:

1. Is the subject property equitably assessed?
2. Did the Respondent correctly assess the influence adjustments for the subject property?

#### **Complainant's Requested Value**

[4] In the Complaint Form, the Complainant requested a reduced assessment of \$2,340,000. At the hearing the Complainant amended the requested value to \$1,900,000.

#### **Board's Decision**

[5] The Board reduces the assessment of the subject property to \$2,930,000.

**Legislative Authority, Requirements and Considerations**

[6] 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.

[7] Section 4 of the *Matters Relating to Assessment and Taxation Regulation* ("MRAT") states:

- (1) The valuation standard for a parcel of land is
  - (a) market value, or
  - (b) if the parcel is used for farming operations, agricultural use value.

**Complainant's Position**

[8] The Complainant provided nine equity comparables. Using these comparables, the Complainant argued that there was a relationship between size of a parcel and the price per SF (or price per acre, which was the unit used in the Complainant's submissions), in that larger properties have a reduced price per SF.

[9] The Complainant further reviewed the zoning of the subject property, which is CC3, and submitted that this zoning results in a reduced market value for the subject property.

[10] Based on the size of the subject property and the zoning, the Complainant argued the assessment for the subject property is incorrect.

[11] The Complainant further provided photographs of the subject property regarding whether or not it is a corner lot. The subject property is located at the intersection of 7 Avenue SE and 19 Street SE, but photographs indicated that both the subject property and 19 Street SE have been separated by concrete blockades erected by the Respondent. Therefore, the Complainant argued, there should be no corner lot influence adjusted to the assessed value of the subject property.

**Respondent's Position**

[12] The Respondent submitted that four of the Complainant's comparables were costed value, and five were assessed using land value. The Respondent further distinguished the comparables from the subject property by pointing out that six were significantly different (and adjusted negatively between 20% and 50%) for topography, shape factor, limited access and direct control restrictions.

[13] The Respondent then provided six comparables which it said were more closely comparable to the subject property.

[14] Regarding the corner lot influence, the Respondent argued that the concrete blockade could be removed. When asked for the definition of a "corner lot" for the purpose of the influence adjustments, the Respondent was unable to provide one. The Respondent submitted that the subject property is at the intersection of two roads and therefore should be a influence

adjusted as a corner lot.

**Reasons for Decision**

[15] The Complainant is correct that there is a correlation between size of a vacant parcel and the market value per SF. But the Complainant ignored that the land value rates determined by the Respondent already account for such in that a rate is applied to the first 20,000 SF and another rate for the remainder (in this matter, \$125/SF and \$45/SF, respectively). Whether those rates were incorrect or whether 20,000 SF is an incorrect threshold (or even whether there should be more than two rates), there was insufficient information before the Board in this matter to agree the Respondent's assessment was either unfair or inequitable.

[16] Based on the information before the Board, it was determined that the equity comparables of the Complainant were insufficient in convincing the Board the assessment of the subject property was unfair or inequitable.

[17] Regarding the corner lot influence, it is difficult for the Board to agree that a "corner lot" can include anything other than properties which are adjacent to (and have access to) more than one street. A property limited to access to only one street cannot be a corner lot.

[18] It is therefore incorrect to apply this adjustment to the subject property. Whether the Respondent is correct that the concrete blockades could be removed, the Board cannot determine. There was insufficient information before the Board regarding the removal of the blockades. The assessment must reflect the characteristics and physical condition of the subject property as at December 31, 2013.

[19] The Board therefore reduces the assessed value of the subject property to \$2,930,000.

DATED AT THE CITY OF CALGARY THIS 19<sup>th</sup> DAY OF August 2014.



**T. Shandro**  
**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. C2	Complainant Rebuttal
3. 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 Administrative Purposes Only**

Property Type	Property Sub-Type	Issue	Sub-Issue
Retail	Vacant	Sales	Land Value