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**COMPOSITE ASSESSMENT REVIEW BOARD DECISION**

**HEARING DATE: 27 September 2011**

**PRESIDING OFFICER: ROB IRWIN**

**MEMBER: Dan Oneil**

**MEMBER: Jonathan Ward**

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**BETWEEN:**

**ARGYLE MANAGEMENT LTD.**

**Represented by: Dean Mitchell**

**Complainant**

**-and-**

**CITY OF AIRDRIE**

**Represented by:**

**G. Beierle and H. Kuntz**

**Respondent**

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This is a complaint to the Airdrie Assessment Review Board and heard by the Composite Assessment Review Board in respect of a property assessment prepared by the Assessor of the City of Airdrie for the Roll #842565.

**Procedural or Jurisdictional Matters**

No matters were identified by either party.

Neither party raised an objection to any Board member hearing the subject complaints.

No procedural or jurisdictional matters were raised by either party.

**Property Description**

The subject property is a vacant 4.45 acre IB-1 lot located at 2920 Kingsview Blvd in the southeast quadrant of the City of Airdrie, Alberta.

**2011 Assessed Value** \$2,447,500

**Requested Assessed Value** \$1,846,750

**Issues**

Prior to presenting their arguments, the Complainant confirmed to the Board that the only issue before the Board was Assessed Value.

## **Issue 1: Assessed Value**

### **Complainant's Position:**

The Complainant stated that the assessment was too high because the municipality used an unfair and incorrect value of \$550,000 per acre to assess the subject property and this was a significant increase from the \$375,000 for the previous year. It was requested the assessment be reduced to \$415,000 per acre.

The Complainant explained that the comparables used by the Respondent were actually not normal or typical because they were felt to be superior. The Complainant argued that they were the best lots and had excellent visibility from the QEW Hwy 2, unlike the subject property. Evidence and maps were presented illustrating that the subject is an interior lot without good visibility and has an access issue due to a median in close proximity to the front of the property. It was concluded that if all vacant land was assessed at the same rate per acre, then the prime lots were being subsidized by all the other lots and this was not fair or equitable. The complainant asked why two recent sales in Gateway had not been included as comparables and the Respondent indicated they had been omitted in error as they understood them to be a different zoning (CMU).

The Complainant felt that there should be assessment adjustments made for each deficiency or attribute (as in residential assessment) because each deficiency of the subject property affected the desirability and realistically, the market value.

### **Respondent's Position:**

The Respondent stated that the City has complied with the legislation in completion of the assessment. The assessor used correct mass appraisal methods to conduct the assessments and that the assessment had passed an audit.

The Respondent stated that all vacant land in Airdrie was assessed the same value per acre. The City does not make adjustments for superior or inferior location, corner lot or reduced access but the City does stratify properties by size. (i.e. at 5 acres)

It was stated that the type of adjustment analysis that the Complainant thought should be applied had limited sampling for inputs due to the lack of sales. The Respondent did adjust the comparable table to include recent sales that had been incorrectly classified as commercial lots but were found to actually be IB-1. This reflected a reduction to a \$538 per acre average.

## **Findings**

### **Issue 1: Assessed Value**

The Board noted that there were very few sales during the valuation period but felt that when the recent sales were included and all truly comparables were considered, it provided a reasonable sampling. It was agreed that the comparables used by the municipality appear to be superior to the subject property.

In all the evidence considered by the Board it was clear that the market value considered in the completing the assessment has been unattainable in the market during the valuation period.

### **Decision**

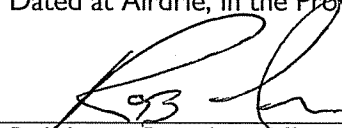
Based on the Municipal Government Act, Section 467. the Board sets the 2011 annual assessment for Roll #842565 at \$2,015,850.

### **Reasons**

The Board agreed that not only should recent sales be utilized to create accurate sales comparable charts but that in a period when there was very little market activity, that they may be the most reliable indicators of market value. The Board was convinced that the subject property did not fit into the typical model of the comparables presented and that no adjustments had been considered or applied to the subject properties assessment for size, location or access deficiencies or differences. The Board also felt that the comparables demonstrated very clearly, the effect of location on price.

The Board agreed that when all evidence and sales were considered a rate of \$453,000 per acre was correct for the subject property.

Dated at Airdrie, in the Province of Alberta this 7 day of October, 2011.



Rob Irwin, Presiding Officer

**This decision may be appealed to the Court of Queen's Bench on a question of law or jurisdiction, pursuant to Section 470(1) of the Municipal Government Act, R.S.A. 2000, c.M-26.**