

**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-26.1, Section 460(4).

**between:**

***ALTUS GROUP LTD., COMPLAINANT***

**and**

***The City of Calgary, RESPONDENT***

**before:**

***L. Lundgren, PRESIDING OFFICER***

***J. Rankin, MEMBER***

***D. Steele, MEMBER***

This is a complaint to the Calgary Assessment Review Board in respect of property assessment prepared by the Assessor of The City of Calgary and entered in the 2010 Assessment Roll as follows:

<b>ROLL NUMBER:</b>	<b>100014018</b>
<b>LOCATION ADDRESS:</b>	<b>6819 11 ST SE</b>
<b>HEARING NUMBER:</b>	<b>59459</b>
<b>ASSESSMENT:</b>	<b>\$354,000</b>

This complaint was heard on 14 day of June, 2010 at the office of the Assessment Review Board located at 4<sup>th</sup> Floor, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 2.

Appeared on behalf of the Complainant:

- *J. Smiley, Altus Group Ltd.*

Appeared on behalf of the Respondent:

- *D. Kozak, City of Calgary*

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

**There were no procedural or jurisdictional matters.**

**Property Description:**

The subject property located at 6819 11 St SE is a 0.45 acre vacant parcel of land with the land use designation Industrial – General (I-G). The subject is a long narrow strip of land approximately 40 feet by 900 feet situated between Glenmore Trail and a property occupied by Mark's Work Warehouse. The 2010 Assessment of \$354,000 includes a reduction of -25 % for a Shape factor (SPR) influence.

**Issues:**

1. What is the correct assessment base rate per acre?
2. Should additional negative influences be recognized? If so, what are they?
3. Is the subject treated equitably with similar properties that have negative influences?

**Complainant's Requested Value:** \$69,750

**Board's Decision in Respect to Each Matter or Issue:**

Issue 1.

The complainant argued that the base rate of \$1,050,000 used by the Respondent to assess all I-G vacant land in the SE quadrant of the city should not be used to assess the subject parcel because of all the limitations of the subject. The subject that is owned by the City of Calgary and leased to Mark's Work Warehouse for parking has limited use because the Land Title Certificate has a Restrictive Covenant which limits the use to parking.

The Complainant presented the sales of five properties under 2.0 acres in size which sold between July 2008 and June 2009 for a median value of \$619,213 per acre. The Complainant argues that

these sales are more indicative of market conditions for small parcels of I-G vacant land in southeast Calgary and is the basis for the requested base rate of \$620,000 per acre.

The Respondent argued that all I-G vacant land in the SE quadrant has been assessed using the base rate of \$1,050,000 per acre and this rate is supported by the Assessment to Sales Ratio (ASR) median of 0.99.

The Respondent presented eleven sales of vacant land in the SE region that have no site specific influences. The properties sold in 2008 and 2009 for time adjusted sale prices between \$602,837 per acre and \$758,982 per acre. The Respondent also presented four sales of vacant land in the SE region that have site specific influences. The properties sold for time adjusted sale prices between \$226,558 per acre and \$840,381 per acre.

The Board finds that the sales comparables submitted by the Complainant support the requested base rate of \$620,000 per acre for the subject parcel. The sales comparables are similar in size and location and have a median sale price of \$619,231. Further, the requested base rate value of \$620,000 falls within the range of time adjusted sale prices for vacant land parcels that have no site specific influences which were submitted by the Respondent.

#### Issue 2.

The Complainant acknowledged the existing -25% reduction for shape (SPR), and the Complainant argues that the subject should also have reductions for Limited Access/Uses (ACC) and Residual Parcel (RPS). The only use for the subject is parking because it is only 40 feet wide and restricted in use by a covenant. It is a sliver of land running along the Deerfoot Trail and has only one possible use, parking. The Complainant is requesting a site influence adjustment of -25% for (ACC) and a site influence adjustment of -25% for (RPS) in addition to the existing site influence adjustment of -25% for (SPR). Using the base rate of \$620,000 x 0.45 acres and adjusting by -75% for the three site influences, the resultant value is \$69,750.

The Respondent submits that the shape (SPR) influence adjustment is sufficient.

The Board finds that the subject property has three negative influences, (SPR), (ACC), and ((RPS) which would affect the market value. The Board agrees with the Complainant's position that a further -50% reduction is warranted for (ACC) and (RPS) owing to the encumbrance on the Land Title Certificate limiting the use and the fact that this narrow parcel of land is wedged between the Deerfoot Trail and Mark's Work Warehouse.

#### Issue 3.

The Complainant also argued that the subject property has not been treated equitably with similar properties that have negative influences. First, a 1.63 acre triangular shape parcel located at 5420 24 St SE received a -25% adjustment for (SPR) and it is not as detrimentally affected as the subject because it is a much larger usable parcel with full frontage onto 24 ST SE. Second, a 19.42 acre received two negative influences ( No Services and Limited/Restricted Access ) which resulted in a total assessed value of \$1,530,000 compared with the 0.45 acre subject assessed value of \$354,000.

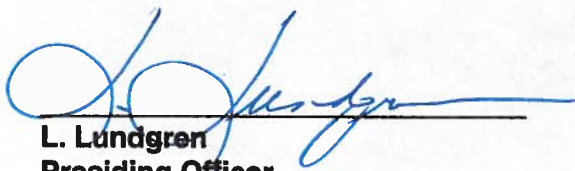
The Respondent indicated the adjustments are applied uniformly and are equitable. For example, the same (SPR) adjustment of -25% was applied to the property at 5420 24 ST SE as was applied to the subject.

The Board finds that there is insufficient evidence to support the Complainant's position that the subject is inequitably treated with similar properties.

**Board's Decision:**

The complaint is allowed and the property assessment is reduced to \$69,750.

MAILED FROM THE CITY OF CALGARY THIS 23 DAY OF June 2010.



L. Lundgren  
Presiding Officer

*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.*