

**CALGARY
ASSESSMENT REVIEW BOARD
DECISION WITH REASONS**

In the matter of the complaint against the Property/Business assessment as provided by the *Municipal Government Act*, Chapter M-26, Section 460(4).

between:

Linnell Taylor Assessment Strategies, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

***Board Chair, T Golden
Board Member, R Deschaine
Board Member, R Glenn***

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

ROLL NUMBER:	067050419
LOCATION ADDRESS:	622 6 Av SW
HEARING NUMBER:	56214
ASSESSMENT:	\$3,570,000.00

This complaint was heard on 23 day of July, 2010 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 12.

Appeared on behalf of the Complainant:

- *D Sheridan*

Appeared on behalf of the Respondent:

- *D Thistle*

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

There were no preliminary matters.

Property Description:

The subject property is a developed parking lot located in the downtown. Ownership of the subject is the same as an adjacent office building and provides parking for the office. The parcel is 12,324 sq ft in size. A direct comparison approach was used and a flat rate is applied to the site.

Issues:

- 1) Is the land rate applied to the subject property the appropriate rate?

Complainant's Requested Value:

\$2,580,000.00

Board's Decision in Respect of Each Matter or Issue:

The land rate applied by the City is appropriate at \$290.00 sq ft.

The complainant firstly argued that the subject had constraints to development that affect value to support the lower rate suggested by sales comparables. In their opinion the site was encumbered as parking for an adjacent building. The floor area ratio allowed in the land use bylaw reduced allowable density. The small size and mid block location of the lot is impractical for downtown development and land assembly opportunities are remote. Should the site be more attractive to development building on the site is still not likely as it is expected that the total office space available in the downtown will significantly increase.

Four sales were analysed for the price per buildable sq ft bases on land use bylaw floor area ratios. Further adjustments were made for size, location to achieve a buildable sq ft rate of \$30.00.

The respondent stated that the subject property benefitted from a market area boundary change to DT2 that reduced the land rate to \$290.00 from \$400.00. In support of the assessment the City submitted 3 vacant land sales in the DT2 area that showed a mean rate of \$421.00. A fourth

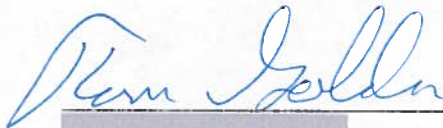
supporting sale that was several months post facto was briefly discussed.

The Board reviewed the comparables of both parties and determined that the City sales provide stronger evidence supporting the land rate. The complainant's sales were not similar in that none of them were in the same market area of the downtown. City sales comparables were all located in the same market area as the subject. Using the questionable sales the complainant then made unsupported adjustments for quality and location and applied assumptions of floor area ratios to reach the final requested value. The board did not consider the constraints and encumbrances suggested by the complainant as there was no link established to value. In fact there is no proof of an encumbrance against the subject for parking related to the adjacent structure.

Board's Decision:

The assessment is confirmed at \$3,570,000.00

DATED AT THE CITY OF CALGARY THIS 4th DAY OF August 2010.



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.*