

**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:**

***Wernick Omura Limited, COMPLAINANT***

**and**

***The City Of Calgary, RESPONDENT***

**before:**

***S. Barry, PRESIDING OFFICER***

***H. Ang, MEMBER***

***I. Fraser, MEMBER***

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

|                          |           |                                     |
|--------------------------|-----------|-------------------------------------|
| <b>ROLL NUMBER:</b>      | <b>1.</b> | <b>068019603</b>                    |
|                          | <b>2.</b> | <b>201065687</b>                    |
| <b>LOCATION ADDRESS:</b> | <b>1.</b> | <b>138 3 Ave. S.E., Calgary, AB</b> |
|                          | <b>2.</b> | <b>307 1 St. S.E., Calgary, AB</b>  |
| <b>HEARING NUMBER:</b>   | <b>1.</b> | <b>56259</b>                        |
|                          | <b>2.</b> | <b>56260</b>                        |
| <b>ASSESSMENT:</b>       | <b>1.</b> | <b>\$2,460,000</b>                  |
|                          | <b>2.</b> | <b>\$5,740,000</b>                  |

This complaint was heard on the 30th day of August, 2010 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 11.

Appeared on behalf of the Complainant:

- B. Boccaccio, Wernick Omura Limited

Appeared on behalf of the Respondent:

- *D. Thistle, City of Calgary*
- *B. Tang, City of Calgary*

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

The Parties requested that both complaints be heard together. There were no other procedural or jurisdictional matters.

**Property Description:**

The property at 138 3<sup>rd</sup> Avenue S.E. is a retail strip mall, comprising 6,375 sq.ft. on a 10,447 sq.ft. parcel. The property at 307 1<sup>st</sup> St. S.E. is a 24,318 sq.ft. parking lot with 66 stalls. Both are located in the Chinatown District.

**Issues:**

Are the City's assessments, calculated on the highest and best use of vacant land on a base rate of \$225.00 per sq.ft. correct having regard to relevant sales comparables?

**Complainant's Requested Value:** 1. \$1,920,000  
2. \$4,470,000

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

The Parties agree that the best method of valuation is of vacant land by way of sales comparables and that the base assessment for both sites should be increased by 5% for corner influences.

The Complainant has requested a base assessment value of \$175/sq.ft. based on sales information he received from the City of Calgary. He chose eight comparables and initially discarded two in the DT2 district as not being relevant to the subject properties and, later, one in the East Village District as not being an arm's length transaction. The remaining comparables in his analysis are all in the East Village District where land is assessed at \$145/sq.ft. The sales dates range from July 2008 to July 2009. The sales prices are not time adjusted, where relevant, nor are the land use districts specified. The Complainant argues that Chinatown properties are exclusive but disadvantaged with respect to other downtown locations and most closely compare the East Village Area.

The Respondent agreed that Chinatown is unique but that it is not comparable to the East Village. He provided sales comparables of two vacant land sites in Chinatown that were sold in May of 2007 and December of 2006. Both were time adjusted at the rate of 1%/month based on sales and rent

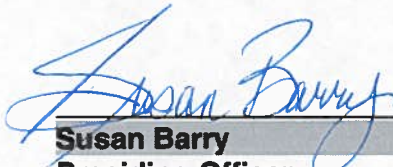
decreases in the downtown area. Both have land use designations that are the same as the subject properties. With time adjusted sales at \$261/sq.ft. and \$226/sq.ft., both these comparables support the Respondent's base assessments of \$225/sq.ft.

**Board's Decision:**

The Complainant's evidence fails to support any change to the assessed value of the properties and the assessments, therefore, are confirmed at:

- |    |           |             |
|----|-----------|-------------|
| 1. | 068019603 | \$2,460,000 |
| 2. | 201065687 | \$5,740,000 |

DATED AT THE CITY OF CALGARY THIS 31 DAY OF August 2010.

  
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Susan Barry  
Presiding Officer

**APPENDIX "A"****DOCUMENTS RECEIVED AND CONSIDERED BY THE CARB:****NO.    ITEM**

- |    |   |
|----|---|
| 1. | Complaint Form for Roll #: 068019603                  |
| 2. | Complaint Form for Roll #: 201065687                  |
| 3. | 2010 Property Assessment Notice for Roll #: 068019603 |
| 4. | 2010 Property Assessment Notice for Roll #: 201065687 |
| 5. | Complainant's Assessment Brief                        |
| 6. | Respondent's Assessment Brief                         |

*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.*