

**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(4).

between:

Rickard Realty Advisors, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

Hatem Naboulsi, PRESIDING OFFICER

Ken Kelly, MEMBER

Robert Kodak, 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 2010 Assessment Roll as follows:

ROLL NUMBER: 068173806

LOCATION ADDRESS: 302 15 Ave SW

HEARING NUMBER: 57599

ASSESSMENT: \$1,580,000

This complaint was heard on the 26th day of August, 2010 at the office of the Assessment Review Board located at 4th floor, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom #8.

Appeared on behalf of the Complainant:

- Dena Knope *Rickard Realty Advisors, Inc.*
- James W. Dunphy *Property Owner*

Appeared on behalf of the Respondent:

- Darren McCord *The City of Calgary*
- Roy Natyshen *The City of Calgary*

BACKGROUND AND PROPERTY DESCRIPTION:

The subject property is a 5587 sq ft parcel of land improved with a 2398 sq ft two and one half story house built in 1936. The subject property is located in the beltline area of Calgary and is currently being used as an office building. The subject property has been zoned direct control with RM 7 (high density multi-dwelling district) guidelines and is assessed using a base land rate of \$270.00 per sq ft which equates to \$1,580,000.

ISSUE:

What is the appropriate market value for the subject property?

POSITION OF THE COMPLAINANT:

The Complainant submitted one sale comparable sold in Jan 29/2009 for \$850,000 which included a lot size of 5867 sq ft (C1 page 20).

The Complainant also submitted 5 equity comparables ranging in size from 5184 to 6321 sq ft with assessed values ranging from \$140.64 to 167.15 per sq ft with an average of \$156.10 per sq ft (C1 page 20).

The Complainant submitted an additional rebuttal document C2 which centered on assessing the improvement vs. The City preparing the assessment based on land value only. The Complainant indicated that because it has been a percentage decrease by the MGB in the past, the difference should be applied for this year's assessment in order to be equitable given the market value has declined (MGB decision page 32 of C1)

POSTION OF THE RESPONDENT:

The Respondent submitted 5 sales comparables dated from Aug 2008 to May 2009 with sales ranging from \$196.00 to \$313.00 per sq ft with an average of \$262.00 sq ft and a median of \$269.00 sq ft (R1 page 55).

The Respondent also submitted 4 equity comparables all assessed at \$270.00 per sq ft except one assessed at \$269.00 per sq ft (R1 page 50). The Respondent also provided 7 equity comparables of BL 3 office or conversion that indicated an assessed value between \$268.00 and \$270.00 sq ft (R1 page 42).

The Respondent clarified and recommended to the Board to confirm that incorrect information for the corner lot influence, created a 5% reduction in the assessment of the subject from \$1,580,000 to \$1,500,000 (R1 page 37).

The Respondent also referenced an ARB decision 0993/2010-P for the property next door to the subject (R1 page 128) with the same evidence in R1 presented at that hearing. The Respondent also presented an MGB Board Order (MGB 098/10) (exhibit 1).

DECISION:

The Board decision is to accept the assessor recommendation, to recognize the corrected value due to the corner lot influence and to reduce the assessment from \$1,580,000 to \$1,500,000 which equates to \$268.48 sq ft.

REASONS:

The Board is persuaded by the Respondent sales and equity comparables as they are more indicative of typical market value due to zoning, location in particular the property next door to the subject 310 – 15 Ave SW. The Board accepts the argument presented by the Respondent (R1 page 96 and 97) that one sale does not make a market.

The Board also accepted the Respondent argument that the assessment of subject was prepared based on land value only and not improvement while the rebuttal of the Complainant (C2) centered on the improvement.

The Board also noted the recent ARB decision ARB 0993/2010-P which was confirmed by the assessor that the same evidence in R1 was presented at that hearing and the Board confirmed the assessment at \$270.00 sq ft.

The Board was not persuaded by the Complainant's one sales comparable and 5 equity comparables. The Board is of the opinion that the comparables presented were not indicative of typical market value for the subject.

DATED AT THE CITY OF CALGARY THIS 3rd DAY OF September, 2010.



HATEM NABOULSI
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.*