

**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:

1101731 Alberta Ltd, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

Hatem Naboulsi, PRESIDING OFFICER

Ken Kelly, MEMBER

Bob 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: 200669117

LOCATION ADDRESS: 10857 84 ST SE

FILE NUMBER: 57133

ASSESSMENT: \$1,750,000

This complaint was heard on the 27th day of August, 2010 at the office of the Assessment Review Board located at 3rd floor, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom #8.

Appeared on behalf of the Complainant:

- Pierre Alain

Appeared on behalf of the Respondent:

- Jason Lepine

The City of Calgary

BACKGROUND AND PROPERTY DESCRIPTION:

The subject property is unserviced parcel of land located on the west side of 84 street near 114 Ave SE of Calgary. The subject has a land area of 8.05 acres and zoned Direct Control (DC) with (I4) Industrial guideline which allows for only 10% site coverage. It is modestly improved with modified mobile home of 1,400 sq ft.

ISSUE:

Is the subject property equitably assessed in comparison to other property?

POSITION OF THE COMPLAINANT:

The Complainant submitted photos of the subject property and the adjacent property which is similar in land size and improved with 17,082 sq ft, 2 storey concrete office building with two attached full service mechanical bays for large trucks built in 2006 and assessed at \$1,644,205 (Exhibit 1).

The Complainant argued that it's unfair to have his assessment increased from \$367,000 in 2009 to \$1,750,000 in 2010 and asked the Board to rectify the equity between the two properties.

POSTION OF THE RESPONDENT:

The Respondent submitted 17 unserviced sales comparables (R1 Page 12) dated from January 2008 to January 2009 ranging in size from 4.0 acres to 8.77 acres with time adjusted sales price ranging from \$276.998 to \$540.621 per acre. The Respondent clarified to the Board the difference in zoning between the subject (DC) vs the 17 comparables presented and zoned DC/C3 which allows additional uses as commercial and suburban offices, and could not be permitted on the subject (DC) zone.

The Respondent concurred that the DC/C3 comparables would achieve higher value in the market place than the subject therefore he provided 25% reduction to the subject to compensate for the zoning use.

The Respondent also provided the detail assessment report for the adjacent property and indicated that this property has been assessed as land and industrial warehouse building and compared against similar service industrial properties. However, since the area is not serviced

the Respondent exercised a judgment call and reduced the gross assessment by 35%.

DECISION:

The Decision of the Board is to reduce the 2010 assessment from \$1,750,000 to \$1,130,000 as fair and equitable.

REASONS:

The Board finds that when the Respondent exercised his judgment to reduce the adjacent property by 35%, it appear to create inequity with the subject property.

The Board is of the opinion that in order to rectify and restore equity between the two properties is to apply the 35% reduction to the subject that resulted in reducing the assessment to \$1,130,000.

The Board also noted and confirmed by the Respondent that the 17 sales comparables submitted by the Respondent and zoned (DC/C3) will achieve higher market value in comparison to the subject (DC) zone.

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



HATEM NABOULSI
Presiding Officer

HN/mc

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.*