

**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:

Altus Group Ltd., COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

***Board Chair, J. Zezulka
Board Member 1, E. Reuther
Board Member 2, B. Jerchel***

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:

ROLL NUMBER: 201169125

**LOCATION ADDRESS: 11199 - 48 Street S.E.
Calgary, Alberta**

HEARING NUMBER: 59874

ASSESSMENT: \$3,070,000

This complaint was heard on 9 day of August, 2010 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 8.

Appeared on behalf of the Complainant:

- *D. Mewha*

Appeared on behalf of the Respondent:

- *J. Young / T. Woo*

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

Not Applicable

Property Description:

The property consists of 4.95 acres of undeveloped industrial land. The location is the Dufferin Industrial Park.

Issues:

Issue 1: The subject property is inequitably assessed compared to similar and competing properties.

Complainant's Requested Value: \$2,230,000, based on \$450,505 per acre overall.

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

Issue 1

The single issue in this instance is that of equity between the subject and similar properties.

The subject's current assessment is based on the City's applied rate of \$620,000 per acre, which is the same rate applied to all land in the Dufferin area. That formula is differentiated from the other industrial areas that have a different formula applied, resulting in a difference in assessed values. While this Board does not subscribe to the use of formulas in estimating market values for individual properties, these same formulas are useful in mass appraisal. And, as long as there are no unusual or extraordinary site influences, these formulas tend to maintain a level of equity between comparable assessments. The subject has no extraordinary features that would influence value.

Both parties submitted equity comparables that seemingly supported their respective positions.

None of the Complainant's comparables are located in the same area as the subject. Rather, comparables were derived from Valleyfield, Shepard, Great Plains, and Foothills. The Complainant did not, however, to the satisfaction of the Board, demonstrate sufficient commonality between the Dufferin area and the other locations to establish a credible level of comparability.

The Complainant also raised the fact that the subject land assessment had increased from 2009 to 2010, at a time of a declining market. Although the insinuation of the presentation might be true, there is no evidence to suggest that the assessment for either year was either correct or incorrect.

The Respondent presented six comparable assessments and four land sales in the Dufferin area . Four of the comparable assessments were slightly larger than the subject, and two were smaller. The assessments for all six were at \$620,000 per acre – the same as the subject's. The Respondent's land sales comparables reflected selling prices from \$602,837 to \$760,544 per acre. All of these occurred during 2008. No time adjustments were applied. However, the data was considered adequate to provide some market parameters.

Board's Decision:

The Complainant did not, to the satisfaction of the Board, present sufficient evidence to convince the Board that the existing assessment was too high in relation to similar properties in the same area as the subject.

The assessment is confirmed at \$3,070,000.

DATED AT THE CITY OF CALGARY THIS 15 DAY OF SEPTEMBER 2010.



J. Zezulka
Presiding Officer

CC: Owner

List of Exhibits

C-1; Evidence submission of the Complainant

R-1; City of Calgary 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.*