

**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 Limited, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

F. Wesseling, PRESIDING OFFICER

I. Zacharopoulos, MEMBER

A. Wong, MEMBER

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: 067232702 & 067232603

LOCATION ADDRESS: 942 & 944 10 Ave SW

HEARING NUMBER: 58519 & 58521

ASSESSMENT: \$179,500.00 and \$1,490,000.00

This complaint was heard on 1st day of October, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 11.

Appeared on behalf of the Complainant:

- *B. Neeson*

Appeared on behalf of the Respondent:

- *D. Lidgren*

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

N/A

Property Description: The subject properties are located in the Beltline and are contained in a parking lot (hard surfaced) which services an adjacent office building owned by the appellant. Immediately to the west of the parcels is a City of Calgary fire hall. A major railway corridor is immediately to the north of the properties.

Issues: The complainant raised the following matters in Section 4 of the Assessment Complaint form: Assessment amount and Assessment class.

Presentations of the complainant and respondent were limited to:

- Assessment overstated in relation to comparable properties.
- Environmental concerns need to be addressed as part of the assessment

Complainant's Requested Value: \$1,190,000.00 and \$143,600.00

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

Complainant's position: Currently the subject property is assessed at a base rate of \$215.00 per square foot. Negative site influence factors are applied, -15% for the railway line, -15% for residual parcel and -15 % for shape for 944-10 Ave SW while for 942 10 Ave SW, the negative influence factor of 15 % is applied for proximity to the railway line. The complainant is requesting that an additional negative site influence of -20 % be applied to both parcels for environmental concerns in accordance with City policy. In support of that request an environmental report was presented which outlined the issues. The report was prepared in 1996 and indicated that the contamination was the result of underground tanks and residual subsurface petroleum hydrocarbons. It was indicated that residual hydrocarbons may still be present and that should the parcels be developed in the future the appropriate studies and reclamation take place.

In terms of sales comparables, the complainant presented land sales information on 9 properties. These properties were all located in the beltline and downtown. The sales data showed a range of \$118-\$264 per square foot with a median of \$ 179.00. It is the complainant's position considering the sales data and the negative site influence factors requested that the per square footage assessment rate should be \$85.00. In addition, past MGB and ARB decisions were presented for the Board's consideration.

Respondent's position: The City acknowledges that contamination may have existed on the site. An environmental report prepared in 1998 was presented. This report supported the information presented by the complainant. It was further indicated that based on current knowledge the extent and severity of contamination is not known. Should redevelopment of the parking lot take place then appropriate steps need to be taken.

Sales comparables were provided in support of the base rate of \$215.00 per square foot. These were all located in the beltline and date back to 2008-2009. The comparables showed a median per square footage rate of \$233.00 prior to adjustments being applied.

Board's Decision: Upon reviewing the verbal and written evidence provided by the parties, the Board considers that the Complainant's arguments with regard to environmental concerns have merit. The Board applied the 20 % negative influence factor to both assessments and establishes the assessment for 944-10 Ave SW at \$114,000.00 and for 942- 10 Ave SW at \$1,146,000.00.

Reasons: The Board finds the per square footage rate of \$215.00 applied by the City of Calgary for the assessment to be fair and equitable. However as it is acknowledged by both the Respondent and the Complainant that environmental issues are present on both parcels (extent and severity unknown) that the minus 20 % influence factor for environmental concerns should be applied to the assessment in addition to the other influence factors applied. The Respondent has not established that the environmental concerns no longer exist through the passage of time.

DATED AT THE CITY OF CALGARY THIS 4 DAY OF November 2010.


F. Wesseling
Presiding Officer

The Board was presented with the following submissions:

Complainant: C1 Evidence Submission of the Complainant to the Assessment Review Board prepared by Altus Group Limited.

Respondent: R1 Composite Assessment Review Board Hearing 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.*