

**COMPOSITE
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:

Altus Group Ltd., COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

C. Griffin, PRESIDING OFFICER

E. Reuther, MEMBER

B. Kodak, MEMBER

This is a complaint to the Composite Assessment Review Board (CARB) 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: 201206927

LOCATION ADDRESS: 3000 16929 – 24th Street SW

HEARING NUMBER: 59260

ASSESSMENT: \$9,460,000.

This complaint was heard on 5th day of October, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 6.

Appeared on behalf of the Complainant:

- B. Neeson

Appeared on behalf of the Respondent:

- J. Toogood

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

There were no Procedural or Jurisdictional matters brought forward.

Property Description:

The subject property is a multi-family development which is, as at the date of value, under construction but not yet complete. The property has been assessed using a base land rate plus a percentage of the registered Building Permit value. The property is located in the far southwest portion of the City of Calgary known as Bridlewood.

Issues:

The grounds for appeal identified on the Complaint Form are as follows:

1. The subject property is assessed in contravention of Section 293 of the Municipal Government Act and Alberta Regulation 220/2004.
2. The use, quality and physical condition attributed by the municipality to the subject property is incorrect, inequitable and does not satisfy the requirement of Section 298 (2) of the Municipal Government Act.
3. The assessed value should be reduced to the lower of market value or equitable value based on numerous decisions of Canadian Courts.
4. Adjustments to the base rate have been inadequately applied or not applied as compared to similar comparable and competing properties.
5. The assessed Gross Income Multiplier applied to the subject property is not equitable and is in excess of market value as per the sales analysis of investment properties.
6. The assessed vacancy rate applied to the subject property should be increased based on vacancy rate studies conducted in the valuation period.
7. This Notice is filed based on information contained in the Assessment Notice as well as preliminary observations and information from other sources. Therefore the requested assessment is preliminary in nature and may change.
8. The assessment of the subject property is in excess of its market value for assessment purposes.
9. The classification of the subject premise is neither fair, equitable nor correct.
10. The information requested from the municipality pursuant to Section 299 or 300 of the Municipal Government Act was not provided.
11. The assessment of the subject property is not fair and equitable considering the assessed value and classification of comparable properties and should be reduced to \$0.

The CARB notes that a number of the above identified Issues do not pertain to the subject property but rather appear to be 'boiler plate' or similar. At the Hearing the Complainant indicated that the single issue to be given consideration is the base land rate applied to the subject property assessment.

Complainant's Requested Value: \$0. Revised in Exhibit C-2 to \$7,735,000. and further revised at the Hearing to \$9,030,000.

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

The single issue to be considered by the CARB, as identified above, is the matter of the base land rate applied to the subject property assessment.

The Complainant introduced evidence (Exhibit C-2 pg 23) relating to five (5) land parcel sales which they contend supports their requested reduction in the base land rate. These sales

involve sites that range in size from 1.03 acres to 6.81 acres and all have Zoning noted as M-1. These sales were recorded between May 2008 and November 2009. The sales prices of these sales averaged \$897,211/acre and had a median of \$849,515/acre.

Referring to the sales evidence of the Complainant, the Respondent noted that two of the sales pertained to properties located outside of Calgary; one being in Strathmore the other being in Cochrane. The Respondent further noted that these same two sales related to industrial sites, not multi-family sites such as the subject. Additionally, the Respondent noted that one (1) of the three (3) Calgary sales was noted as having been Non Arms-length. The Respondent pointed out to the CARB that the remaining two sales in the Complainant's Exhibit C-2, at \$1,304,232/acre and \$1,500,000/acre clearly supported the Assessor's applied base land rate of \$1,300,000/acre.

In view of the above given information pertaining to the sales evidence of the Complainant, it is the judgment of the CARB that the Complainant has not met ONUS.

Board's Decision:

The assessment is confirmed at \$9,460,000.

DATED AT THE CITY OF CALGARY THIS 13 DAY OF October 2010.



C. J. GRIFFIN

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.*