

**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:

Colliers International Realty Advisors, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

***Board Chair, J. Zezulka
Board Member 1, M. Peters
Board Member 2, S. Rourke***

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:	201427143
LOCATION ADDRESS:	14202 - 68 Street S.E. Calgary, Alberta
HEARING NUMBER:	57082
ASSESSMENT:	\$44,470,000

This complaint was heard on 27 day of October, 2010 at the office of the Assessment Review Board located at 4th floor, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 10.

Appeared on behalf of the Complainant:

- *D. Porteous*

Appeared on behalf of the Respondent:

- *J. Lepine*
C. Lee

Property Description:

An undeveloped tract of land in the Copperfield community of South East Calgary. The parcel contains 58.87 acres, and is in the preliminary stages of subdivision, There are seven different Land Use Classes, as follows;

<u>Land Use Classification</u>	<u>Area (Acres)</u>
S-TUC Special Purpose, Transportation And Utility Corridor	1.22
S-SPR Special Purpose – School, Park	5.74
CN-2 Commercial – Nieghborhood 2 District	2.81
RN-1N Rsidential, Narrow Parcel	26.43
I-E Industrial Edge	1.11
M-2 Multi-Family-Medium Profile District	17.25
MG-Multi-Residential, At Grade Housing	4.31

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

By agreement between the parties, the assessment was amended to \$35,270,000. The amended amount remains under complaint.

During the hearing, the Complainant introduced a section of Rebuttal Evidence that was purportedly submitted to the Respondent one day late of the prescribed time frame as outlined in the Matters Relating to Assessment Complaint Regulation. The wording of Section 9 of the Regulation clearly states that the Board must not hear evidence that was not submitted in accordance with the time lines as outlined in Section 8. Accordingly, that portion of the Complainant's rebuttal evidence was disallowed by the Board.

Issues:

The rates applied to the multi-family (M-2 & MG) zoned portions of the property, as well as the R-1N zoned portion, produces an assessment that is excessive and above market value.

Complainant's Requested Value: \$24,420,000.

The Evidence;

The current amended assessment of the multi-family portions of the subject is based on a rate of \$27.00 per s.f. The R-1N land is assessed at \$4.59 per s.f.

In support of his position, the Complainant submitted six comparable sales, two of which were submitted as low density sites. The four medium density land comparables reflected selling prices ranging from \$15.50 to \$18.66 per s.f. The average calculates to \$17.00. It is this amount upon which the Complainant is basing his request.

Similarly, the two low density sites reflect selling prices of \$3.44 and \$3.45 per s.f.. Both properties are designated UR-Urban Reserve. These were intended to reflect the value of unserviced residential land.

In response, the Respondent presented three sales that were not included in the Complainant's package. During the hearing, the Respondent essentially discarded two of his own comparables as not being "very comparable". The Respondent stated that the current assessment recommendation was based on two comparables. The first, at 121 Chaparral Valley Drive SE, sold at \$15.50 per s.f. This comparable was one submitted by the Complainant. The second comparable, at 250 Cranston Way SE, sold at \$39.43 per s.f. The approximate average of these two produced the Respondent's amended assessment and subsequent recommendation of \$27.00 per s.f.

During the hearing, there was considerable discussion and debate about the level of servicing on the subject lands, compared to the comparable sites.

It was the Complainant's position that the subject lands were unserviced, and that no servicing, including deep utilities, had been installed to the property as of the effective date of assessment, whereas the comparables were serviced parcels.

It was the Respondent's position that the subject was in the same state of servicing as the comparables.

A photograph contained in the Complainant's evidence package shows the subject in early 2009 as having no surface infrastructure (roads, street lights, etc).

Board's Findings;

The Board is not convinced that one transaction – at 250 Cranston Way – is sufficient enough to base the assessment of the subject property. Moreover, the board is equally not convinced that the comparable was at the same level of municipal servicing, or lack of municipal servicing, as the subject.

The Respondent is attempting to base the assessment on two properties, one of which is common to and supports the Complainant's position. The Complainant bases his position on four comparables, although from different areas of the City. The Complainant also presented the only comparable evidence relating to the R-1N lands. The board finds the Complainant's evidence to be the most convincing.

Board's Decision:

The Board amends the assessment as follows;

<u>Land Use Class</u>	<u>Area (s.f.)</u>	<u>Rate per s.f.</u>	<u>Assessment</u>
S-SPR	250,034	\$2.87	\$717,597.58
S-TUC	53,143	\$4.59	\$243,926.37
M-2	751,410	\$16.00	\$12,022,560.00
MG	187,744	\$17.00	\$3,191,648.00
C-N2	122,404	\$76.00	\$3,568,080.00
R-1N	1,151,291	\$3.44	\$3,960,441.04
1-E	48,352	\$14.92	<u>\$721,411.84</u>
Total			\$24,425,665.00

The assessment is reduced to \$24,420,000.

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


J. Zezulka
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.*