

**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 Property assessment prepared by the Assessor of The City of Calgary and entered in the 2010 Assessment Roll as follows:

ROLL NUMBER: 089092506

LOCATION ADDRESS: 3603 – 7A Street SW. Calgary, Alberta

HEARING NUMBER: 57496

ASSESSMENT: \$4,310,000

This complaint was heard on 28 day of October, 2010 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 10.

Appeared on behalf of the Complainant:

- *M. Uhryn*

Appeared on behalf of the Respondent:

- *M. Ryan*

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

No issues were raised at the hearing.

Property Description:

The subject is an Institutional / Communication property owned by Telus. The building has a net rentable area of 19,107 sq. ft., set on a 27,479 s.f. site. The site is actually comprised of three adjacent lots. The site is designated R-C1 Contextual One Dwelling District. The community is Elbow Park – one of the more expensive residential communities in the City.

Issues:

The matter under complaint is the assessment amount, based on equity. The current assessment is based on a rate of \$165.00 per s.f. for the land, including the building. The Complainant contends that the assessment should be based on a rate of \$4.60 per s.f. for the land, plus an allowance of \$65.00 per s.f. for the building.

Complainant's Requested Value: \$1,360,000

The Evidence

In support of his request, the Complainant submitted two equity comparables. One, at 3602 – 8 Street SW, is a church site adjacent the subject. The site area is 46,830 s.f. The assessment calculates to \$18.90 per s.f. The Land Use Designation is Special Purpose – Community Institution.

The second comparable is the Shaw Cablesystems building at 3003 Macleod Trail SW. The property has a land assessment based on \$4.60 per s.f., plus the building calculated at \$65.00 per s.f. The Land Use Designation is Special Purpose – City and Regional Infrastructure. Presumably, it is this assessment upon which the Complainant based his requested calculations.

The Respondent presented fourteen comparable site sales in the Elbow Park community. The transactions occurred in the 2007 – 2009 time frame. Reflected selling prices ranged from \$140.99 to \$354.10 per s.f.. The average and median are \$203.15 and \$195.33 respectively. All of these properties carry the same Land Use Designation as the subject. Although there was some question as to whether or not these sites were/are improved with usable residences, the evidence indicates that the lots were acquired for redevelopment with new homes. i.e the values indicated are lot values only.

Board's Findings

No doubt, the church site next door to the subject would likely be redeveloped to a residential use if the church were removed. However, a land use redesignation would be required. Moreover, the site is currently exempt from taxation, and whether or not the land assessment truly reflects current value levels was not addressed by either party.

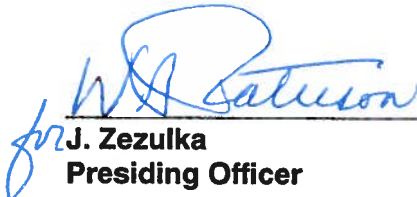
The second comparable submitted by the Complainant is the Shaw property on Macleod Trail. Based on the assessment Summary Report, this site suffers from restricted access, and topographic limitations. The Land Use Designation does not allow for the development of open market, competitive facilities.

The question in this instance appears to revolve around the question of Highest and Best Use. The subject is comprised of three lots, each of which would be readily saleable for residential development if the existing building were to be removed. And, based on the evidence presented by the Respondent, the aggregate selling price of the three lots would be equal to or greater than the existing assessment

Board's Decision

The assessment is confirmed.

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


for J. Zezulka
Presiding Officer

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.*