

**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:

1516331 Alberta Ltd, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

F. Wesseling, PRESIDING OFFICER

I. Zacheropoulos, 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: 201176823

LOCATION ADDRESS: 201 20th Ave NE

HEARING NUMBER: 56258

ASSESSMENT: \$2,570,000.00

This complaint was heard on 8th day of November, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 8.

Appeared on behalf of the Complainant:

- *N. Harris*

Appeared on behalf of the Respondent:

- *M. Lau*

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

No specific jurisdictional or procedural matters were raised during the course of the hearing, and the CARB proceeded to hear the merits of the complaint.

Property Description:

Subject property is vacant land located in Tuxedo Park. The property contains 21,780 sq ft and is slated to be redeveloped into a multi family development. The maximum allowable density for the site is 30 dwelling units. The site, formerly, consisted of 4 single family residential parcels and the residences have been removed. A development permit to construct a 29 unit multi-family complex is currently under review by the City of Calgary Planning Department.

Issues:

The complainant raised the following matter in Section 4 of the Assessment Complaint form: Assessment amount

Presentation of the complainant and respondent were limited to:

- Assessment overstated in relation to comparable properties.
- Sales approach indicates assessment is overstated

Complainant's Requested Value: \$1,400,000.00

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

The complainant provided a background on the property in terms of planning and development as well its financial and sales activity. While the property is not listed for sale, the current owner does not intend to develop the site however is putting in place a development permit to show the market the potential of the property. An appraisal report was presented which indicated the value of the property to be \$1,620,000.00 as of October of 2009. The appraisal used the direct comparison approach as the valuation method and utilized 4 sales in its analysis. These sales occurred between October 2008 to June 2009. The complainant indicated that 3 offers had been received for the property. The offers ranged from 1.4 to 1.55 million dollars. Copies of the Offer to Purchase contracts were provided for the Board's consideration. In addition, the complainant provided a sales analysis which shows market trends being downward for these types of properties.

The respondent indicated that the increase in assessment was due to the classification change that

took place in 2009. This property is assessed at \$ 118.00 sq foot. Multi- residential land sales comparables were provided which indicated a median value of \$117.90 per sq foot. The subject property was included in the City comparables using the 2007 sale of the property to the current owners for \$85.81 per square foot. All the sale comparables dated back to 2007 and early 2008. No adjustments were applied for time, zoning and density.

Board's Decision:

Upon reviewing the verbal and written evidence provided by the parties, the Board considers that the Complainant's position had merit and reduced the assessment to \$1,875,000.00

Reasons: The Board found the complainant's evidence with regard to the downward trend for vacant multi-residential land to be compelling. Further the Board finds that the 2007 sale of the subject property has not been contested by the City and in fact the respondent used the sales data in their analysis. The complainant was able to establish through rebuttal that market value did not increase from 2007 to 2009 and the City accepts this in that no time adjustments were applied in their analysis. The Board therefore finds that the sale of the subject property in 2007 as the best indicator of value.

DATED AT THE CITY OF CALGARY THIS 17 DAY OF NOVEMBER 2010.



F. Wesseling
Presiding Officer

The Board was presented with the following submissions:

Complainant: C1 Appellant Brief 201 20 th Ave NE
C2 Appellant Brief Rebuttal

Respondent R1 Assessment Brief prepared by City of Calgary Assessment Business Unit

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.*