

**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 Ltd., COMPLAINANT***

**and**

***The City Of Calgary, RESPONDENT***

**before:**

***Hatem Naboulsi, PRESIDING OFFICER***

***J. Kerrison, MEMBER***

***B. Jerchel, MEMBER***

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: 067071001**

**LOCATION ADDRESS: 700 8 Street SW**

**HEARING NUMBER: 58231**

**ASSESSMENT: \$ 2,250,000**

This complaint was heard on the 18<sup>th</sup> day of November, 2010 at the office of the Assessment Review Board located at 4<sup>th</sup> floor, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom #2.

Appeared on behalf of the Complainant:

- Giovanni Worsley *Altus Group, Inc.*

Appeared on behalf of the Respondent:

- Dorian Thistle *The City of Calgary*

### **PROPERTY DESCRIPTION:**

The subject property is a 8627 square foot (s/f) parcel of land located at 700 8 St SW assessed at a base rate of \$290.00 plus 5% additional corner lot influence and 15% downward adjustment for LRT influence for a total 2010 assessment of \$2,250,000.

### **ISSUES:**

1. Should a buildable rate of \$30 psf be applied to the subject property?
2. What is the correct land designation of the subject property?

### **POSITION OF THE COMPLAINANT:**

The Complainant presented the Board with 17 sale comparables ranging in size from 3250 sf to 124,653 sf located in various downtown areas (C1 page 22) with an average buildable rate of \$30 psf.

The Complainant further argued that the subject land designation should be "PE" zone and not "CM2" zone as designated for the 2010 assessment, therefore should be granted 15% zoning influence allowance reduction from the assessment.

### **POSITION OF THE RESPONDENT:**

The Respondent submitted to the Board that highest and best use of land or site as though vacant the value of the fee simple estate on the legally permissible, physically possible, financially feasible use that produces the highest value by the market place. The Respondent further argued that the subject land designation is "CM2" zone and not "PE" zone and therefore will not be entitled to the 15% land use reduction. The respondent indicated that the subject has received 15% reduction for LRT influence and also 5% additional for corner lot influence.

### **DECISION:**

The Board decision is to reduce the assessment from \$2,250,000 to \$1,870,000.

### **REASONS FOR THE DECISION:**

The Board finds that the argument of "FAR" (Floor Area Ratio) raised by the complainant as a

function of "highest and best use" of a site will be taken into account by a potential purchaser upon sale depending on the condition at the time of sale. The "FAR" may be subject to bonussing allowances available under the By-Law. The Board could not find any justification in evidence presented to support what future conditions relating to "FAR" might hold, therefore the Complainant argument on "FAR" is not a valid value indicator.

Following a brief recess and further deliberation it was agreed by both the Complainant and the Respondent that the current land designation of the subject property found to be "PE" zone. Therefore as a City standard, the subject is entitled to 15% land use reduction.

The Board also notes that the "PE" land designation was evidence on Page 11 of C1 and also supported by evidence presented by the Respondent on Pages 15, 22 and 27 of R1. Therefore the Board decided that the 15% land use reduction is appropriate.

DATED AT THE CITY OF CALGARY THIS 25 DAY OF November, 2010.

  
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**HATEM NABOULSI**  
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.*