

**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, Revised Statutes of Alberta 2000 (the Act).

between:

Gary K. Allard Professional Corporation (as represented by Gary Allard), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

B. Horrocks, PRESIDING OFFICER

E. Reuther, MEMBER

D. Pollard, 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 2011 Assessment Roll as follows:

ROLL NUMBER	LOCATION ADDRESS	HEARING NUMBER	ASSESSMENT
200896579	512 922 5 AV SW	62778	\$172,500
200896561	510 922 5 AV SW	62778	\$935,000

This complaint was heard on the 14th day of June, 2011 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

Appeared on behalf of the Complainant:

- Mr. Gary Allard

Appeared on behalf of the Respondent:

- Mr. D. Grandbois

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

There were no concerns with the composition of the Board.

There were no preliminary matters. The merit hearing proceeded.

Property Description:

The subject properties are two office condominiums on the 5th floor of the Five West (Phase 1) building located in Downtown Calgary. The 5th floor was originally intended to be a parking floor, like the 3rd and 4th floors, but was converted to commercial office space when it was determined there were more than sufficient parking spaces to meet the City By law requirements. Unit 1 is 364 sq. ft. and the second is 1,969 sq. ft., both assessed at \$475 /sq. ft. The building was completed in 2006.

Issues:

The Assessment Review Board Complaint form contained a brief description of the assessment history that concluded with the statement "The assessed values of our property by the City show the property at a value 39% over its purchase price in 2006, which is not realistic".

Complainant's Requested Value: \$145,000 (Roll #200896579)
\$787,000 (Roll #200896561)

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

The Complainant's disclosure is labelled C-1.

The Complainant on page 1 provided the history of the building. He noted "the fifth floor is made up of two segmented areas completely separate from each other; the LaCaille space on the north, and the other half (where the subject properties are located) on the south side facing 5th Avenue. The two areas are even on different heights; you have to ascend up a half flight of stairs to get to their (LaCaille) offices".

The Complainant noted "The City informed us our property taxes were reassessed based on values the LaCaille space was sold for". Through pictures and narrative the Complainant described the major differences between the subject offices and the LaCaille offices. They could be generally described as access, view, amenities, finish, quality, washrooms, private patio area, and windows or lack thereof.

The Complainant provided a schedule given to them from the City which shows recent sales in the core. He noted the schedule shows big variations in sales, ranging from \$362 to \$725 / sq. ft. In addition, he noted that for 888 4th Avenue the prices range from \$595 to \$726 / sq. ft. (within the same building). He argued that it was inequitable to be assessed at the same rate as the LaCaille offices because they were not comparable. He requested an assessment of \$400/sq. ft.

The Respondent's disclosure is labelled R-1.

The Respondent, at page 21, provided the same schedule as the Complainant. He noted the sale of Units 502 and 503 (the LaCaille offices) for \$526.98 and \$563.97 / sq. ft. respectively. He admitted they had a higher level of finish than the subject.

The Respondent, at page 24, provided a chart to demonstrate that by practise the City assessed all condo spaces within the same building in the core at the same rate, to preserve equity.

The Respondent, at page 26, provided CARB 2329/2010-P and noted that this was the same building, with the same Complainant and the same arguments. The Board had reduced the 2010 assessments to \$400 / sq. ft. The Complainant had submitted the same Decision in his rebuttal that is labelled C-2.

The Board finds the argument put forward by the Complainant persuasive and concurs that the LaCaille space is superior to the subject and not comparable.

Board's Decision:

The 2011 assessments are reduced as follows:


Roll Number 200896579	\$145,000
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Roll Number 200896561	\$787,000
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Reasons

The assessment was not equitable, nor in line with market values (comparable). The sale of the LaCaille property, in the same building, was clearly superior to the subject in fit, finish and amenities and not comparable to the subject.

DATED AT THE CITY OF CALGARY THIS 21st DAY OF JULY 2011.


B. Horrocks
Presiding Officer

APPENDIX "A"**DOCUMENTS PRESENTED AT THE HEARING
AND CONSIDERED BY THE BOARD:**

NO.	ITEM
1. C1	Complainant Disclosure
2. C2	Complainant Rebuttal
3. R1	Respondent Disclosure

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.*