

**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:**

***International Sewing Machines Ltd.  
(as represented by Assessment Advisory Group), COMPLAINANT***

**and**

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

**before:**

***L. Wood, PRESIDING OFFICER  
R. Cochrane, MEMBER  
E. Reuther, 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 2012 Assessment Roll as follows:

<b>ROLL NUMBER:</b>	<b>046057907</b>
<b>LOCATION ADDRESS:</b>	<b>1817 CENTRE ST NW</b>
<b>HEARING NUMBER:</b>	<b>65273</b>
<b>ASSESSMENT:</b>	<b>\$805,500</b>

Appeared on behalf of the Complainant:

- Appeared on behalf of the Respondent:

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

**Property Description:**

### Issue:

**Complainant's Requested Value:**

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

[7] The Complainant also submitted the two house conversions located at 1501 Macleod TR SE and 344 8 AV NE to illustrate that assessments for house conversions have increased 18% - 26% since 2010, unlike the subject property's assessment which had increased over 61% for the same time period (Exhibit C1 pages 11 – 14). He also suggested that the property located at 344 8 AV NE is similar to the subject property (improvement is 1,600 sq. ft. and lot is 0.12 acres) and it was assessed at \$507,000.

[8] The Complainant submitted several sales that were provided by the Respondent in the 2011 CARB hearings in support of their assessments for house conversions. He submitted this was background information (Exhibit C1 page 16).

[9] The Respondent submitted that a house conversion looks like a residence but it is used for commercial purposes whether for office or retail. The Respondent submitted four equity comparables of house conversions located in Tuxedo Park, all assessed based on the sales approach (Exhibit R1 pages 22 – 31). The assessable building areas ranged between 1,262 - 1,970 sq. ft., located on parcels of 0.11 – 0.14 acres, three have a land use designation of Direct Control District, one Commercial Corridor 2. The year of construction was 1945 – 1967 (one did not have that information) and the quality rating was B to C+. Based on assessed values of \$766,500 – \$889,000, the Respondent argued that the subject property's assessment at \$805,500 falls within that range of values.

[10] The Respondent argued that little weight should be placed on the Complainant's equity comparables. The subject property was assessed based on the sales approach whereas the adjacent property (1815 Centre St NW) is a freestanding retail property and it was assessed based on the Income Approach (Exhibit R1 pages 18 - 20). The property located at 344 8 AV NE is located in Crescent Heights which is an inferior location than the subject property (Exhibit R1 page 17). The property located at 1501 Macleod TR SE is located in the Beltline which is a superior location than the subject property (Exhibit R1 page 21).

[11] The Respondent argued although the increase since last year's assessment was substantial, the 2012 assessment is not based on a previous year's assessment. It is based on market evidence.

#### **Board's Findings:**

[12] The Board finds the subject property has been properly assessed as a house conversion. The Board placed more weight on the equity comparables presented by the Respondent because they share similar characteristics as the subject property including location. The Board placed less weight on two of the Complainant's comparables that are located outside of Tuxedo Park. The comparable adjacent to the subject property is not a house conversion and was assessed based on the Income Approach which may explain the difference in value; however, it was unclear as to why the values were so drastically different. Nevertheless, based on the assessed values and sales of house conversions, the Board can only conclude the subject property was equitably assessed and the assessed value was further supported by the sales data put forward by the Complainant (Exhibit C1 page 16).

[13] The Board notes there was an issue pertaining to the method of valuation used to assess the subject property. There was a discrepancy in the information available on the City of Calgary's website, indicating it was assessed based on the Income Approach (Exhibit C1 page 3). However, based on the evidence before it, the Board finds the assessment was based on the Sales Approach, similar to other house conversions.

#### **Board's Decision:**

[14] The decision of the Board is to confirm the 2012 assessment at \$805,500 for the subject property.

DATED AT THE CITY OF CALGARY THIS 16<sup>th</sup> DAY OF Aug 2012.

  
Lana J. Wood  
Presiding Officer

**APPENDIX "A"**

**DOCUMENTS PRESENTED AT THE HEARING  
AND CONSIDERED BY THE BOARD:**

NO.	ITEM
1. C1	Complainant's Evidence
2. R1	Respondent's Evidence

*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.*

**FOR ADMINISTRATIVE USE**

Subject	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Other Property Type			