

**CALGARY  
ASSESSMENT REVIEW BOARD  
DECISION WITH REASONS**

In the matter of the complaint against the business assessment as provided by the *Municipal Government Act*, Chapter M-26, Section 460, Revised Statutes of Alberta 2000 (the Act).

between:

***WWW Trading Ltd. (as represented by Advantage Valuation Group Inc.),  
COMPLAINANT***

and

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

before:

***Board Chair, Earl K Williams  
Board Member, D Julien  
Board Member, A Zindler***

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:

**ROLL NUMBER: 201185717**

**LOCATION ADDRESS: 7699 110 AV NW**

**HEARING NUMBER: 65902**

**ASSESSMENT: \$2,210,000**

This complaint was heard on 12 day of July, 2012 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:

- N Laird

Appeared on behalf of the Respondent:

- J Greer

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

- [1] No Procedural or Jurisdictional Matters were raised by the parties.

**Property Description:**

- [2] The subject property is a 3.413 acre (148,654 square foot) vacant parcel land located at 7699 110 Ave NW in the Community of Royal Oak and is part of the Northwest Auto Mall. The land use guideline Direct Control (DC) with an Industrial-General (I-G) land use and is used for the storage of motor vehicles for the adjacent car dealerships located in the Northwest Auto Mall.

**Issues:**

- [3] The subject property has a number of Utility Right of Way (URW) are registered on the west, south and northwest side of the property which should be recognized as a Land Use Restrictions which allow for up to a negative adjustment in the land value. The influences should be recognized with a negative 10% adjustment is requested.

**Complainant's Requested Value:** \$2,000,000

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

- [4] The Complainant and Respondent presented a wide range of relevant and less relevant evidence.

- [5] The Complainant's evidence package included an Executive Summary, Summary of Testimonial Evidence, the 2012 Property Assessment Notice, the 2012 Assessment Explanation Supplement Industrial Land, a site plan, exterior photographs of the subject property, the Land Title Certificate supported copies of Land Use Restrictive Covenants and related documents including the Architectural Control Requirements, table of sale comparables and a table of influences and adjustments.

- [6] The Respondent's evidence package included a Summary of Testimonial Evidence; the 2012 Assessment Explanation Supplement for the subject property, a plan of the subject, an aerial photograph identifying the location of the subject property, exterior photographs of the subject, a table of comparables, aerial photographs of comparables, an analysis of the

Complainant's sale and equity comparables, land use zoning information and a CARB decision.

### Complainant

[7] The Complainant reviewed the maps on page 6 and 7 of Exhibit C-1 which showed the location of a number of Utility Right-of-Way (URW) that are registered on the land. A review of the Land Title Certificate and attached documentation (pages 23 – 82 of Exhibit C-1) identified the URW as well as other Restrictive Covenants that are registered. One of the URW was surrendered in 2005 (page 33 of Exhibit C-1) and no longer has an impact on the land. The Complainant argued that the remaining URW have an impact on the value of the subject property and must be recognized with an influence adjustment. The property is less attractive because of these encumbrances.

[8] The Land Use Restrictions which are the result of the URW may be recognized by the granting of an influence percentage (%) adjustment up to a maximum adjustment of -25% (page 11 of Exhibit C-1). The Complainant advised that the 2012 Assessment Explanation Supplement (page 9 of Exhibit C-1) reports the current influence adjustment is 0%. An adjustment of -10% is requested to reflect the impact of the URW on the subject property.

[9] As further support for the requested assessment the Complainant presented details on a number of comparables. The table on page 10 of Exhibit C-1 presented details on 7 vacant land sales with transaction dates between September 15, 2009 and July 13, 2010. The table included sale and assessment information on the comparables and the subject. No additional details were presented to support the information presented in the table.

[10] The Complainant identified the transaction located at 7777 110 AV NW as a strong comparable because of its close proximity to the subject. The following table presents details on this comparable and the subject property.

Address	Parcel Size (acres)	Assessment 2012	Assessment per acre	Comments
7777 110 AV NW (Comparable)	2,723	\$1,320,000	\$484,693	I-C
7699 110 AV NW (Subject)	3.413	\$2,210,000	\$647,595	DC

[11] The Complainant reported that the assessment for 7777 110 AV NW reflects the application of a -25% reduction for an influence adjustment. Prior to the influence adjustment being applied the assessment for the comparable would be \$605,866. Therefore, the property at 7777 110 AV NW is a favourable comparable to the subject.

[12] In summary the Complainant argued that an influence adjustment should be applied to the land and the sales comparables support the requested assessment.

### Respondent

[13] In addressing the subject of the URW on the subject lands the Respondent's reviewed the aerial photograph of the subject on page 7, the plans for the subject on pages 19 - 20 and the exterior photograph of an adjoining property on page 21 of Exhibit R-1. The Respondent pointed out that:

- the two URW which are currently registered on the property have a negligible impact as shown on the plan presented on page 20 of Exhibit R-1;
- the URW at the back of the property is for a pathway that can be landscaped and utilized as shown in the aerial photograph of Lot 11 which is adjacent to the subject property where the area is being used for light standards and signage;

- the URW which was the largest URW registered on the property was surrendered in 2005 (page 32-34 of Exhibit C-1) and no longer impacts the subject property;

[14] In respect of equity comparables the table titled City of Calgary Industrial Land Only Equity Chart on page 23 of Exhibit R-1 provided particulars on 9 land only properties close to the subject. Three of the comparables are located on 110 AV NW in close proximity to the subject. The following table presents particulars on the 3 equity comparables that are in close proximity to the subject property.

Address	Parcel Size (acres)	Assessment 2012	Assessment per acre*	Influence Adjusted Assessment per acre
<b>Comparables</b>				
7755 110 AV NW	2.70	\$1,750,000	\$649,108	
7675 110 AV NW	2.42	\$1,570,000	\$648,300	
7777 110 AV NW	2.72	\$1,320,000	\$646,258	\$484,693
<b>Subject</b>				
7699 110 AV NW (Subject)	3.41	\$2,210,000	\$647,595	

\*Assessment per acre: the 2012 assessment prior to the application of an influence adjustment expressed on a per acre basis

Based on the above table the Respondent argued that the subject's assessment of \$647,595/acre compares favourably with the comparables at 7755 and 7675 110 AV NW which are \$649,108/acre and \$648,300/acre respectively. In respect to the comparable at 7777 110 AV NW (\$646,258/acre) the subject compares favourably prior to the application of the -25% influence adjustment.

[15] In respect of 7777 110 AV NW the Respondent reviewed the aerial photograph on page 25 of Exhibit R-1 which shown that this property is located on a cul de sac and receives a -25% influence adjustment to reflect limited access to the land

[16] In summary the Respondent argued that a no influence adjustment should be applied to the subject property. Further the equity comparables support the assessment.

### **Board Findings**

[17] The Board finds that no evidence was presented by the Complainant to support that the subject property is adversely affected by the URW and that an influence reduction should be applied to the assessment.

[18] The Respondent's equity comparables which are in close proximity to the property support the assessment.

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

[19] Based on the evidence presented to the Board the assessment is confirmed at \$2,210,000.

DATED AT THE CITY OF CALGARY THIS 14<sup>th</sup> DAY OF September 2012.



**Earl K Williams**  
Presiding Officer

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

<b>NO.</b>	<b>ITEM</b>
1. C1	Complainant Disclosure
2. 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.*

## FOR ADMINISTRATIVE USE

Appeal Type	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Other Types	Vacant Land	InfluenceAdjustment	