

**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:

Calgary Salvage Disposal Ltd. (as represented by Altus Group Limited), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

***Board Chair, M. Vercillo
Board Member 1, J. Pratt
Board Member 2, J. Massey***

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: 078002797

LOCATION ADDRESS: 2004 ALYTH CO SE

HEARING NUMBER: 61233

ASSESSMENT: \$1,400,000

This complaint was heard on 23 day of June, 2011 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom #2.

Appeared on behalf of the Complainant:

- *R. Worthington*

Appeared on behalf of the Respondent:

- *T. Luchak*

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

The Calgary Composite Assessment Review Board (CARB) derives its authority to make this decision under Part 11 of the Act. During the hearing, the Complainant raised the following preliminary or jurisdictional matter:

- That the Respondent failed to disclose his evidence in accordance with the "*Matters Relating Assessment Complaints Regulation*" (MRAC) section 8(2)(b); "*the respondent must, at least 14 days before the hearing date, (i) disclose to the complainant and the composite assessment review board the documentary evidence.....*". Therefore the Complainant requests that the Respondent not be allowed to present any evidence relative to the subject's assessment.

The Respondent agreed with this jurisdictional issue raised by the Complainant, that he indeed had failed to provide disclose evidence as in accordance with *MRAC section 8(2)(b)*.

The CARB finds the following with respect to this jurisdictional issue:

- That no disclosure from the Respondent was evident in the file(s) of the CARB.

Board's Decision:

As in accordance with 8(2)(b):

- The CARB **will not allow** the Respondent to present any evidence relative to the subject property's assessment.

With the above in mind, the CARB proceeded to hear the merits of the complaint, as outlined below.

Property Description and Background:

The subject property is a vacant land industrial property located in the "Alyth/Bonnybrook" industrial area of SE Calgary. According to a City of Calgary "Assessment Explanation Summary (AES)", the subject has a land use designation of "Industrial - General (I-G)" and contains approximately 2.683 acres or approximately 116,875 square feet (SF).

The subject is assessed on the basis of its land use designation. Accordingly, the I-G land rates for 2011 are \$525,000 per acre or approximately \$12 per SF.

Issues:

The CARB considered the complaint form and the jurisdictional issue together with the representations and materials presented by the parties. There were a number of matters or issues raised on the complaint form; however, as of the date of this hearing, the Complainant addressed the following issues as restated below:

1. The subject land is not in a location that is conducive to I-G land classification. The assessment land rates on equity comparables support a reduced assessment.
2. There is limited ingress/egress to the subject parcel and this negative influence would reduce its market value.
3. The parcel is irregularly shaped and this negative influence would reduce its market value.

Complainant's Requested Value:

\$760,000 on the complaint form revised to \$469,520 at this hearing.

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

ISSUE 1:	The subject land is not in a location that is conducive to I-G land classification. The assessment land rates on equity comparables support a reduced assessment.
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The Complainant provided a document entitled "Evidence Submission of Complainant" that was entered as "Exhibit C1" during the hearing. The Complainant along with Exhibit C1 provided the following evidence with respect to this issue:

- A map of the Alyth/Bonnybrook industrial area that where the subject property is located. The map showed that all the properties in this area had a land classification of I-G (Industrial – General).
- Various pictures of the Alyth/Bonnybrook industrial area showing that the properties in the area have very little infrastructure, are surrounded by railway tracks, have largely unpaved roadways, no curbs and gutters and little building or improvements.
- As an equity comparison the Portland Street industrial area across the railway tracks from the Alyth/Bonnybrook industrial area have highly developed infrastructure, paved roadways, curbs and gutters, are not surrounded by railway tracks and contain substantial development in buildings and improvements. The Portland Street industrial area properties are also zoned I-G land, and like the subject are assessed at \$525,000 per acre.
- Conversely, to the Portland Street industrial area, the Complainant offers an Ogden Dale Rd. SE property across Blackfoot Trail and within reasonable distance to the subject as more comparable to the subject in terms of infrastructure, unpaved roads, lacking curbs and gutters and lacking substantial rail track influences. This property is zoned I-H or Heavy Industrial and assessed at \$350,000 per acre.
- The Complainant concludes that from an equity standpoint, the subject should be classed I-H like its neighbouring Ogden Dale Rd. property and should be assessed accordingly. This alone would result in a revised value for the subject property of approximately \$939,050.

The CARB finds the following with respect to this issue:

- The assessment of vacant land such as the subject must consider land use as part of the assessment process. Land use speaks to development potential of a property which can reasonably be assumed to affect value.

ISSUE 2: There is limited ingress/egress to the subject parcel and this negative influence would reduce its market value.

The Complainant along with Exhibit C1 provided the following evidence with respect to this issue:

- An aerial photograph along with a map of the Alyth/Bonnybrook subdivision was provided. The Complainant described that the area has having limited access from Blackfoot Trail and/or 15th ST SE. He also described the roads as being quite narrow and not typical of what you would find in other comparable industrial areas.
- A chart of land rate adjustments used by the Respondent was provided. The chart indicated that "Limited Access/Uses" is a negative influence which typically reduces a calculated assessment based on land rates by 25%.

The CARB finds the following with respect to this issue:

- Access to the Alyth/Bonnybrook area appears somewhat inferior to other comparable industrial areas.

ISSUE 3: The parcel is irregularly shaped and this negative influence would reduce its market value.

The Complainant along with Exhibit C1 provided the following evidence with respect to this issue:

- An aerial photograph along with a map of the Alyth/Bonnybrook was provided. The photograph and chart shows that the subject property is somewhat irregular and is along the corner of Alyth Close and 19 AV SE.
- A chart of land rate adjustments used by the Respondent was provided. The chart indicated that "Shape" is a negative influence which typically reduces a calculated assessment based on land rates by 25%.

The CARB finds the following with respect to this issue:


- The subject property is not sufficiently irregular to cause it to suffer from its shape, particularly when considering that it enjoys access from both Alyth Close and 19 AV SE.

Board's Decision:

The complaint is accepted in part and the assessment is adjusted to \$1,050,000.

- The CARB determined that the land rate of \$525,000 applied to the subject, used for I-G land is fair and equitable with other I-G zoned property.
- The CARB was convinced that the maps, photographs and evidence provided by the Complainant were sufficient to warrant a 25% reduction relative to ingress and egress to the Alyth/Bonnybrook industrial area.
- The CARB was not convinced that the maps, photographs and evidence provided by the Complainant were sufficient to warrant a 25% reduction relative to shape of the subject property.

DATED AT THE CITY OF CALGARY THIS 22 DAY OF July 2011.



Presiding Officer

APPENDIX "A"

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

NO.	ITEM
1. C1	Complainant 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.*