

**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:**

***First Capital (McKenzie Towne Lands) c/o FCR Management Services  
(as represented by Altus Group Ltd.), COMPLAINANT***

**and**

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

**before:**

***L. Wood, PRESIDING OFFICER  
J. Pratt, MEMBER  
D. Julien, 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:

<b>ROLL NUMBER:</b>	<b>200349710</b>
<b>LOCATION ADDRESS:</b>	<b>28 McKenzie Towne AV SE</b>
<b>HEARING NUMBER:</b>	<b>62884</b>
<b>ASSESSMENT:</b>	<b>\$700,000</b>

This complaint was heard on 28 day of June, 2011 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 11.

Appeared on behalf of the Complainant:

- *Mr. B. Neeson*                      *Agent, Altus Group Ltd.*
- *Ms. S. Sweeney- Cooper*      *Agent, Altus Group Ltd.*

Appeared on behalf of the Respondent:

- *Mr. R. Farkus*                      *Assessor, City of Calgary*
- *Mr. D. Satoor*                      *Assessor, City of Calgary*

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

There were no procedural or jurisdictional matters raised by the parties during the hearing.

**Property Description:**

The subject property is a vacant parcel of commercial land comprised of 37,244 sq. ft. (0.86 acres) located in the McKenzie Towne Community. The land use designation is C-N2, Direct Control District. The first 20,000 sq. ft. of the subject property was assessed at \$64.00 psf, the remainder at \$7.00 psf.

**Issues:**

1. The market value for the subject property's C-N2 land is \$600,000/acre.

**Complainant's Requested Value:** \$129,000

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

1. The market value for the subject property's C-N2 land is \$600,000/acre.

The Complainant submitted that the market value for C-N2 land should be \$600,000/acre. He submitted four commercial land sales that are 1.71- 2.0 acres that sold for \$450,000-\$1,592,178/acre between December 2008 and September 2010 (Exhibit C1 pages 36- 43). Two of the Complainant's sales comparables included the property located at 1111 Panatella Blvd NW which sold in December 2008 for \$1,856,562, and again in January 2009 for \$2,722,625. However, he withdrew these sales comparables from his analysis as he found them questionable. The Complainant also noted the 2011 assessment for the property located at 1111 Panatella Blvd NW at \$1,740,000 was less than its sale price (Exhibit C1 page 45). By excluding the Panatella sales, the Complainant suggested the median (and average) rate is \$601,000/acre. However, if the Panatella sales are included, the average is \$969,972/acre and median is \$918,855/acre. The Complainant submitted the best sales comparable is the property located at 101 Copperpond Blvd SE which sold in September 2010 for \$450,000/acre.

Based on a rate of \$600,000/acre and applying the negative influences for shape factor (25%), transmission tower/lines (25%) and limited/restricted access (25%), the Complainant requested a value of \$129,000 for the subject property (Exhibit C1 page 59).

The Respondent submitted that C-N2 lands are assessed at \$64.00 psf for the first 20,000 sq. ft. and then \$7.00 psf for the remainder. He submitted that the transmission tower/lines influence (25%) will be removed from this assessment as it was applied in error, but the remaining site influences of shape factor (the property has an irregular, triangular shape) and limited/restricted access (the property cannot be accessed from 52 Street, only through the adjacent Sobey's property) will remain.

The Respondent submitted seven sales comparables of C-N2 lands which are 12,985– 116,000 sq. ft. (0.298– 2.663 acres) that sold between August 2008 and October 2009. The Respondent calculated a time adjusted sales price of \$892,500- \$2,314,231 (\$11.69- \$68.73 psf) (Exhibit R1 page 19). Two of the sales included the property located at 1111 Panatella Blvd NW which the Respondent indicated were arm's length transactions and valid sales. The Respondent submitted the assessed land rate for C-N2 land is applied on a City- wide basis because there is not an abundance of commercial vacant land; therefore, no adjustments were made for location. The Respondent stated there is a negative time adjustment of 1.25 per month from July 1, 2009 to July 1, 2010 to account for the decrease in the market. However, there was no time adjustment prior to July 1, 2009 as the market at that time was relatively flat.

The Respondent submitted the Complainant's sales comparable located at 111 Skyview Ranch Way NE is not an arm's length transaction based on the completed Non Residential Property Sale Questionnaire (Exhibit R1 pages 36- 38). He also submitted the Complainant's sales comparable located at 101 Copperpond Blvd SE is a post facto sale (Exhibit R1 page 39).

The Board finds the Complainant did not provide sufficient evidence to bring the assessment into question. The Board placed little weight on the Complainant's sales comparable located at 101 Copperpond Blvd SE because it was post facto, transacting after the valuation date of July 1, 2010. The Board finds the Complainant's sales comparable located at 111 Skyview Ranch Way NE, which appears to be an arm's length transaction (Exhibit C2 pages 10- 19), supports the Respondent's assessed land rate. The Board placed little weight on the sales of the comparable located at 1111 Panatella Blvd NW as the Board found them questionable, given the short time frame between transactions and the 46% increase in sale price.

**Board's Decision:**

The decision of the Board is to confirm the 2011 assessment for the subject property at \$700,000.

DATED AT THE CITY OF CALGARY THIS 5 DAY OF AUGUST 2011.

  
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Lana J. Wood  
Presiding Officer

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

<b>EXHIBIT NO.</b>	<b>ITEM</b>
1. C1	Complainant's Disclosure
2. C2	Complainant's Rebuttal
3. R1	Respondent's 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.*