

**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:

1414225 Alberta Ltd.

*(as represented by Colliers International Realty Advisors Inc.), COMPLAINANT*

and

*The City Of Calgary, RESPONDENT*

before:

*P. Mowbrey, PRESIDING OFFICER*

*D. Morice, MEMBER*

*R. Roy, MEMBER*

This is a complaint to the Calgary Assessment Review Board in respect of the property assessment prepared by the Assessor of The City of Calgary and entered in the 2012 Assessment Roll as follows:

ROLL NUMBER	LOCATION ADDRESS	HEARING NUMBER	ASSESSMENT
067051300	527 – 5 Avenue SW	66273	\$ 1,050,000
067051409	525 – 5 Avenue SW	66295	\$ 2,100,000
067051508	523 – 5 Avenue SW	66277	\$ 2,100,000

The complaint was heard on July 30, 2012, in Boardroom 10 at the office of the Assessment Review Board, located at 1212 – 31 Avenue NE, Calgary, Alberta.

Appeared on behalf of the Complainant:

- T. Howell

Appeared on behalf of the Respondent:

- H. Neumann

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

[1] At the beginning of the hearing the Complainant indicated that there were three adjacent properties to be heard and that the Complainant had one evidence package for the three properties which are:

Property Address	Roll #	Assessment
527 – 5 Avenue SW	067051300	\$ 1,050,000
525 – 5 Avenue SW	067051409	\$ 2,100,000
523 – 5 Avenue SW	067051508	\$ 2,100,000

The Respondent stated that he had an evidence package for each property. The Decision is to carry forward the information in the Complainants' evidence to each of the succeeding properties being heard.

**Property Description**

[2] The subject properties are three adjacent surface parking lots with no improvements, located in DT1, the downtown commercial core of Calgary, the size of 527 – 5<sup>th</sup> Avenue was 3,243 sq ft, 525 and 523 – 5<sup>th</sup> Avenue was each 6,486 sq ft.

**Issues**

[3] The issue stated by the Complainant is based on equity.

1. Is the 2012 Assessment correct?

(a) Should the transitional zone decrease of 10% be applied to the subjects?

**Complainant's Requested Assessment**

[4] The Complainant requested assessment for the three properties are:

Property	Roll #	Assessment
527 – 5 Avenue SW	067051300	\$ 945,000
525 – 5 Avenue SW	067051409	\$ 1,890,000
523 – 5 Avenue SW	067051508	\$ 1,890,000

**Complainant's Position**

[5] The Complainant's position is based on assessment equity and the lack thereof, due to a 10% downward adjustment the Respondent applied to properties abutting 5<sup>th</sup> Street SW from the east side. The Complainant's view was the adjustment should extend to parcels that have relative value and significance to those parcels that receive the adjustment. This concept was supported by a comparable property on the east side of 5<sup>th</sup> Street SW where both the abutting

property and the adjacent property received the transitional zone decrease of 10%.

[6] The Complainant described an abutting property which was located at 730 – 5<sup>th</sup> Street SW, and the Complainant's comparable adjacent property located at 532 – 8<sup>th</sup> Avenue SW, which received the transitional zone decrease of 10% and was assessed at and \$1,800,000.

[7] The Respondent's position was that the Complainant identified the one adjacent property that had an adjustment for transitional zone decrease of 10% which was applied in error, and the Respondent will be seeking to correct the error under the Municipal Government Act s305 which states the assessor may correct the assessment roll for the current year only, and an amended notice must be sent to the assessed person.

[8] The Respondent stated the comparable property was scheduled for an Assessment Review Board hearing and the error cannot be corrected until the assessment complaint has been heard. The Respondent indicated the transition zone decrease has been applied to 26 properties and this property was the only one done in error. When the adjacent property located at 532 – 8<sup>th</sup> Avenue SW, receives the correction, the assessment will be \$2,000,000.

[9] The Respondent explained that in a transition zone the adjustment can be a positive or negative adjustment, which is applied to temper the value change between market zones with differing assessed rates. The adjustments are to ensure that property owners on one side of a market zone dividing line are reasonable assessed with owners on the opposite side of a market zone dividing line.

### Decision

[10] The Decision of the Board is to confirm the 2012 Assessments for the subject properties.

Property Address	Roll #	Assessment
527 – 5 Avenue SW	067051300	\$ 1,050,000
525 – 5 Avenue SW	067051409	\$ 2,100,000
523 – 5 Avenue SW	067051508	\$ 2,100,000

### Reasons

[11] The Board reviewed and carefully considered the evidence of the Complainant and Respondent.

[12] In regards to the issue of equity and if the transitional zone decrease of 10% should be applied to the subject, the Board reviewed the definition of a transitional zone provided by the Respondent and it clearly states the adjustment is applied to property owners on one side of a market zone dividing line so they are reasonably assessed with owners on the opposite side of a market zone dividing line and that the adjustment of 10% can be positive or negative and is applied to temper the value change between market zones . The subject properties are not abutting properties to 5<sup>th</sup> Street SW but are properties adjacent to an abutting property.

[13] The Board placed greater weight on the Respondents explanation that the one adjacent property with the negative 10% adjustment, out of 26 abutting properties, was applied in error and that it will be corrected, therefore eliminating the one comparable the Complainant relied on.

[14] The Board finds that the transitional zone decrease of 10% does not apply to the subjects, as equity is in relation to other similar properties, and the Complainant lacked evidence to support the requested decrease in the assessments for the three properties.

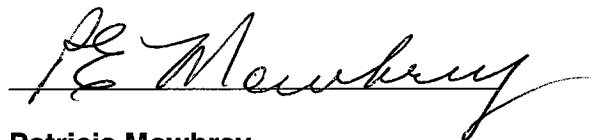
[15] The Board placed greatest weight on the Respondents evidence.

[16] The Board finds the 2012 assessments for the subject properties correct, fair and equitable.

The assessments are **CONFIRMED** at:

Property Address	Roll #	Assessment
527 – 5 Avenue SW	067051300	\$ 1,050,000
525 – 5 Avenue SW	067051409	\$ 2,100,000
523 – 5 Avenue SW	067051508	\$ 2,100,000

DATED AT THE CITY OF CALGARY THIS 18 DAY OF Sept. , 2012.



**Patricia Mowbrey**  
**Presiding Officer**

## APPENDIX "A"

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

NO.	ITEM
1. C1	Complainant's Submission (26 pages)
2. R1	Respondent's Submission (92 pages) (1 submission for each roll number)
3.	CARB 1488/2010-P
4.	LARB 0379-2012-P
5.	NO. DL 127/09
6.	CARB 2894/2011-P

*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 Types	Vacant Land	Sales Approach	Equity Comparables