

**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:

Brown Cottage & Clinic INC (as represented by Altus group Ltd), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

F.W. Wesseling, PRESIDING OFFICER

D. Steele, MEMBER

H.Ang, 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:

ROLL NUMBER: 067071001

LOCATION ADDRESS: 700 8 St SW

FILE NUMBER: 67833

ASSESSMENT: \$1,350,000

This complaint was heard on 7th day of September, 2012 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:

- *M. Cameron*

Appeared on behalf of the Respondent:

- *D. Grandbois*

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

[1] No specific jurisdictional or procedural matters were raised during the course of the hearing, and the CARB proceeded to hear the merits of the complaint.

Property Description:

[2] Subject property is located in downtown Calgary and consists of a retail building which is to be demolished in the near future. The property contains 8627 square feet and is located at the intersection of two major streets, 7th Ave and 8th Street. The City of Calgary Land Use bylaw designates the property with a Public Park, School and Recreation District (PE) designation.

Issues:

The Complainant raised the following matter in Section 4 of the Assessment Complaint form:
Assessment amount

Presentation of the Complainant and Respondent were limited to:

- Assessment market value is overstated in relation to comparable properties.

Complainant's Requested Value: \$1,170,000

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

[3] Complainant's Position: Initially the Complainant identified two issues with the property's assessment. Firstly, the influence adjustments applied to the property's assessment were questioned. The assessment for the property is adjusted in 3 ways, corner lot (+5%), Light Rail Transit (-15%) and DC Restrictions (-20%), for a total adjustment to the base rate of -30%. The Complainant described the current use of the property as well as the Development Permit in place for the property. The influence adjustments as applied by the City are accepted by both sides and no longer an issue.

[4] The second issue is the base land rate applied to determine the assessment. The

location of the subject property (DT2E), which is assessed based on land value, dictates a \$225 per square foot value. While the Complainant is not questioning the market value approach of land, it is suggested a value of \$195 as being more appropriate. In support of the requested base value, five sales were provided and reviewed. These sales are the most recent available transactions in downtown Calgary. With adjustments the weighted average to the base rate is \$197 per square foot. In addition, the Complainant provided a cost approach calculation (C1, p27-28) on a comparable building (C quality). This approach suggested a base rate of \$173 per square foot.

[5] Respondent's Position: The Respondent provided general background on the subject property as well as the land use designation and its implication on the future development of the site. Sales information was provided for the various assessment areas within the Downtown. The focus was on DT2E and DT2W to substantiate the base rate applied in terms of the assessment.

[6] The Complainant withdrew the Rebuttal.

Board's Decision:

[7] Upon reviewing the verbal and written evidence provided by the parties, the Board found that the Complainant failed to demonstrate that the assessment was in excess of market value.

[8] The Board confirms the assessment at \$1,350,000.

[9] Reasons: - The Board finds that the sales information brought forward by both parties in fact support the assessed base rate of \$225 per square foot.

- The sales information brought forward by the Respondent recognize the different market values between the market zones established by the City.

DATED AT THE CITY OF CALGARY THIS 25 DAY OF September 2012.


F.W. Wesseling
Presiding Officer

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

| NO. | ITEM |
|------------|------------------------|
| 1. C1 | Complainant Disclosure |
| 2. R2 | 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.*

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| <i>Decision No.</i> | | <i>Roll No.</i> | | |
|---------------------|----------------------------------------------|-----------------|---------------------------------|--------------|
| <u>Subject</u> | <u>Type</u> | <u>Issue</u> | <u>Detail</u> | <u>Issue</u> |
| CARB | Reatil Commercial Downtown Property | Land value | Base assessment rate applied | Equity |

