

**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:**

***AURA TOWER Developments Ltd (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: 201050127 & 201050119**

**LOCATION ADDRESS: 923 & 935 8 Ave SW**

**FILE NUMBER: 68474 & 68389**

**ASSESSMENT: \$3,070,000 (923) & \$3,720,000 (935)**

This complaint was heard on 6th 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
- G. Kerslake

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.

[2] The Board agreed to hear the evidence for this file jointly with file 68474 (CARB #1754-2012-P).

**Property Description:**

[3] The subject properties are vacant parcels of commercial land located in Downtown Calgary. The properties are used as parking lots. The site at 923 8<sup>th</sup> Ave SW contains 15,188 square feet while the property at 935 8<sup>th</sup> Ave SW has 17,438 square feet. The City of Calgary Land Use Bylaw designates the subject sites with a "Downtown Business District" classification.

**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:** 923 8<sup>th</sup> Ave SW \$2,500,000  
935 8<sup>th</sup> Ave SW \$3,000,000.

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

[4] Complainant's Position: The primary argument put forward by the Complainant is that the base land rate (\$225 per square foot) is inequitable with comparable properties in the same general area of Downtown. An Equity Analysis (C1, p30) was reviewed which outlined a range of assessments from \$142 to \$172 per square foot accounting for influence adjustments. The subject properties in direct comparison and also accounting for influence adjustment are assessed at \$208 per square foot. The Complainant's requested assessment is based \$150

per square foot.

[5] On July 6, 2010 the properties sold through a Court ordered transaction for \$6,000,000 or \$186 per square foot (C1, P59-70). When adjusted for time (C1, p 74) the value of \$151 per square foot compares favourably with the value determined in the equity analysis

[6] Respondent's Position: The Respondent provided sales of vacant land parcels in the downtown area to show the difference in the base rate applied by the City for the different market areas. For DT2 East the sales supported the established base rate of \$225 per square foot while for DT2 West the rate is \$150 per square foot. The Complainant's equity comparables are all located in DT2 West. With 9<sup>th</sup> Street being the dividing line between the market areas and the proximity of the subject sites, a transition zone blend adjustment was applied to the assessment.

[7] A concern was expressed by the Respondent that the only market value information presented by the Complainant was the sale of the subject properties in 2010. The Respondent argues that due to the forced nature of the sale, it resulted in the value of the sale at the low end of the range for vacant land sales in DT2 East.

[8] In the Rebuttal, the Complainant focused on the sale of the subject properties in 2010 and reviewed CARB# 2285/2010-P which did accept the sale with certain adjustments to provide a market value for the properties. In addition the Complainant reviewed the vacant land sales in market area DT2 East presented by the City and noted that it included other court ordered sales. The Complainant seriously questioned the City's evidence for vacant land sales in both in DT2 West and DT2 East.

**Board's Decision:**

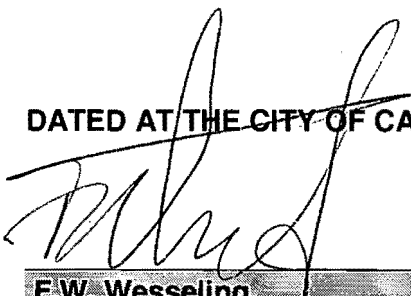
[9] Upon reviewing the verbal and written evidence provided by the parties, the Board found that the Complainant failed to demonstrate that the assessment was in excess of market value.

[10] The Board confirms the assessment at \$3,070,000 for 923 8th Ave SW and \$3,720,000 for 935 8<sup>th</sup> Ave SW.

Reasons: - The Board accepts the City's vacant land sales evidence as the best indicator of market value to support the assessments.

- The Board determined that the Complainant's equity comparable data were not sufficient to warrant a reduction to the assessments.

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:**

<b>NO.</b>	<b>ITEM</b>
1. C1	Complainant Disclosure
2. C2	Complainant's Rebuttal
3. 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 MGB Administrative Use Only*

<i>Decision No.</i>		<i>Roll No.</i>		
<u><i>Subject</i></u>	<u><i>Type</i></u>	<u><i>Issue</i></u>	<u><i>Detail</i></u>	<u><i>Issue</i></u>
CARB	Parking Lot	Assessment higher than properties across the street	Assessment market zones	Equity