

**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:

Western Automotive Management Ltd. (as represented by AEC International),

COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

B. Horrocks, PRESIDING OFFICER

S. Rourke, MEMBER

J. Kerrison, 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:	032034308
LOCATION ADDRESS:	2421 39 AV NE
HEARING NUMBER:	65359
ASSESSMENT:	\$2,610,000

This complaint was heard on the 26th day of September, 2012 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 1

Appeared on behalf of the Complainant:

- Mr. L. Wingrowich (AEC International)

Appeared on behalf of the Respondent:

- Mr. E. D'Altorio (City of Calgary)

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

- [1] There were no concerns with the Board as constituted.
- [2] There were no preliminary matters. The merit hearing proceeded.

Property Description:

[3] The subject property is a 1.52 acre (66,200 square foot) parcel of vacant land located in the North Airways community in NE Calgary. The land is zoned C-COR3 f1.0h12. The subject is assessed at the rate of \$39 per square foot (PSF) of land utilizing the sales comparison approach. The assessment is adjusted +5% for Corner Lot influence.

Issues:

[4] The Assessment Review Board Complaint Form contained 6 grounds for the complaint. At the outset of the hearing, the Complainant advised there were two outstanding issues, namely: "The current assessment exceeds the subject property's best estimate of its market value as of July 1, 2011" and "The current assessment is too high and inequitable when compared to the assessments of similar properties."

Complainant's Requested Value: \$1,193,000 (Complaint Form)
\$1,655,000 (Hearing)

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

Issue: What is the market value for assessment purposes?

- [5] The Complainant's Disclosure is in two parts labelled C-1.
- [6] The Complainant, at page 21, provided a chart titled City of Calgary Land Rate – Sales which contained details of 4 sales which had occurred between February 2010 and May 2011. The sales were used to determine the 2012 Commercial Land Value base rates for C-COR zoned lands throughout the City. The Complainant submitted the four sales are of limited comparability to the subject property. The sales are for parcels of land that are much smaller than the subject property and have better exposure, frontage and access to major arterial roadways.
- [7] The Complainant, at page 91, provided a table titled Sales – Recent Sales of Commercial Corridor Properties (Supported by Decisions: CARB-056-2012 & CARB-057-2012) which contained details of two sales located in the Southview community, approximately 5.6 kilometres from the subject. The Complainant noted that both properties had their 2012 assessments reduced to the *post facto* sale price of \$30 PSF by a 2012 CARB. The Complainant submitted that these two properties are located on a major roadway (17th AV SE) and have improvements on the land and it is unreasonable to suggest that the subject property would command \$9 more PSF. Further, it is reasonable to conclude that the subject property would command less than the sale price of these two improved properties (\$30 PSF) in support of his request for a market value of \$25 PSF.

[8] The Respondent's Disclosure is labelled R-1.

[9] The Respondent, at page 13, provided a table that contained details of two sales with time adjusted sale prices (TASP) of \$61.65 and \$59.10 PSF. The Respondent advised the two sales had been utilized to establish the base land rate for the first 20,000 SF of C-COR properties which is \$60 PSF. Both sales are significantly smaller than the subject and considerably distant from the subject.

[10] The Board finds the purported comparable sales presented by both parties to be sufficiently dissimilar to the subject and they do not provide compelling evidence of market value.

Issue: Is the subject assessment at \$39 PSF inequitable?

[11] The Complainant, at page 52, provided a table titled Equity Comparables – Land Only which contained 3 equity comparables of unimproved properties with assessments of \$36, \$25 and \$36 PSF. The Complainant advised that the best comparable was the property located at 3131 27 ST NE which is assessed at the rate of \$25 PSF, in support of his request for an assessment of the subject property at the rate of \$25 PSF.

[12] The Complainant, at page 68, provided a table titled Equity Comparables – Improved Properties, which contained 5 purported equity comparables with assessments ranging from \$37 to \$39 PSF. The Complainant argued the assessment of the unimproved subject property should at least be less than the \$37 PSF assessment of the improved comparables.


[13] The Respondent, at page 15, provided a table titled 2012 City of Calgary Commercial Land Equity Comparables which contained 3 properties with assessments calculated using the same land rates as the subject. It was noted that one comparable was adjusted -25% for being on a dead-end street while another was adjusted -25% for shape. Two of the equity comparables have been used by both parties, namely 3131 27 ST NE and 46 Hopewell Way NE. The property at 3131 27 ST NE had a -25% adjustment for being on a dead end street. The property located at 46 Hopewell Way had an unadjusted assessment that equates to \$36 PSF.

[14] The Board finds there is sufficient comparability with the subject property and the comparable located at 46 Hopewell Way, to reduce the subject property assessment to \$36 PSF based on equity. The Complainant's improved comparables were assessed in the range of \$37 to \$39 PSF. Having the unimproved subject property assessed at \$36 PSF is logical.

Board's Decision:

[15] The 2012 assessment is reduced to \$2,380,000.

DATED AT THE CITY OF CALGARY THIS 15 DAY OF OCTOBER 2012.


B. Horrocks
Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
2. R1	Respondent Disclosure
3. C2	Complainant Rebuttal

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	Vacant Land	Sales Approach	Market value Equity