

**CALGARY  
COMPOSITE ASSESSMENT REVIEW BOARD (CARB)  
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:

***Ernest Frederick Berg, COMPLAINANT***

and

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

before:

***P. Irwin, PRESIDING OFFICER***

***M. Grace, MEMBER***

***D. Pollard, 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>076051101</b>
<b>LOCATION ADDRESS:</b>	<b>3505 17 AV SE</b>
<b>HEARING NUMBER:</b>	<b>61440</b>
<b>ASSESSMENT:</b>	<b>\$422,000</b>

**Property Description**

The subject property is located in the Southview community of Calgary. The lot is 6500 square feet (sf), with dimensions of 50' by 130'. The 50' dimension fronts onto 17<sup>th</sup> Avenue. The subject has an office building on it, with approximately 800 square feet (sf) at ground level, and a developed basement of approximately 600 sf. The Land Use Designation is Commercial Corridor – 1. The subject was assessed on the basis of the sales approach to valuation.

This complaint was heard on August 31<sup>st</sup>, 2011 at the office of the Assessment Review Board, located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

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

There were no Procedural or Jurisdictional matters brought forward.

**Issues:**

1. Is the assessment on the subject property too high?

The Complainant advised the Board that he bought the subject property in 1969 and three different businesses are currently operated from the building: real estate, travel, and Berg Agencies Ltd.

The Complainant presented three equity comparables to demonstrate his position that the subject property is assessed too high:

1. 3501 – 17 Av SE, which is next door to the subject, with a 60' frontage, assessed at \$579,000;
2. 3560 – 17 Av SE, which is vacant land, assessed at \$125,000;
3. 4504 – 17 Av SE, which is also vacant land, with a 225' frontage, and assessed at \$897,500.

The Complainant stated that the 2010 assessment of \$271,500 was arrived at after appeal. The Complainant submitted that a 55% increase in the assessed value of the subject property was excessive and he therefore requested the same assessment as in 2010.

**Complainant's Requested Value:** \$271,500.

The Respondent submitted that the subject site is improved with an older structure and the site coverage is approximately 13%. In the Respondent's view, the subject property would probably not trade for cash flow and therefore should not be assessed using an income approach. The Respondent regarded the subject property as being suitable for re-development. The Respondent presented 40 equity comparables, all assessed at a rate of \$65/ sf. The Respondent noted that, of the Complainant's three equity comparables, one had been assessed by using the income approach (unlike the subject) and the other two had negative influences regarding environmental issues and were therefore also not comparable to the subject. The same land rate was applied to these two properties, with a negative adjustment for the influences. The Respondent also noted that the Complainant provided no sales comparables. No adjustments were made to the subject property for influences and therefore the Respondent did not provide any sales comparables in its disclosure package.

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

The Board is not persuaded by the evidence presented that the assessment does not reflect the market value of the subject property at July 1, 2010, or that the subject property is assessed inequitably compared to similar properties. No sales evidence was presented by either party to support or dispute the rate of \$65/sf that the Respondent applied to the property. The equity argument was not compelling and therefore the assessment is confirmed.

**Board's Decision:**

The 2011 assessment is confirmed at \$422,000.

DATED AT THE CITY OF CALGARY THIS 26<sup>th</sup> DAY OF September, 2011.

  
P. Irwin, Presiding Officer

**APPENDIX "A"****ORAL PRESENTATIONS:**

<b><u>PERSON APPEARING</u></b>	<b><u>CAPACITY</u></b>
E. F. Berg	Owner of the Subject Property
K. Gardiner	Assessor, City of Calgary

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

<b><u>NO.</u></b>	<b><u>ITEM</u></b>
1. C-1	Complainant Disclosure
2. R-1	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.*