

**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(4).

**between:**

***390589 Alberta Limited (as represented by Colliers International), COMPLAINANT***

**and**

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

**before:**

***T. Golden, PRESIDING OFFICER***

***R. Kodak, MEMBER***

***D. Steele, 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:

**ROLL NUMBER: 068231505**

**LOCATION ADDRESS: 224 10 Av SW**

**HEARING NUMBER: 61202**

**ASSESSMENT: \$10,340,000.00**

This complaint was heard on 5 day of October, 2011 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

Appeared on behalf of the Complainant:

- *D. Porteous*

Appeared on behalf of the Respondent:

- *R. Natyshen*

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

Much of the argument and evidence on the assessment base rate was heard with respect to hearing file 61341 and is carried forward to this file.

**Property Description:**

The subject land is a vacant parcel of 58,973 square feet (sq. ft.). The land is used as a parking lot and is located in the Beltline. The assessment is based on a rate of \$195.00 and then adjusted downward 15% for the location next to a railway and secondly adjusted positively 5% for a corner.

**Issues:**

- 1) Is the Beltline assessment rate of \$195.00 per square foot (sq. ft.) applicable to the subject property?
- 2) Is it reasonable to have a positive corner adjustment of 5% applied to the subject lands?

**Complainant's Requested Value:** \$ 6,100,000.00

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

- 1) The rate of \$195.00 is the applicable rate to base the assessment.

The Complainant presented a table of time adjusted sales found on pg 19 of exhibit C-1 to support a requested rate of \$140.00. Fifteen sales were presented with an unadjusted mean sale price of \$219.57 and an adjusted sale price of \$141.31. Sales in this table occurred between September 2007 and January 2011 and were in the communities of Beltline, Mission, and Cliff Bungalow. These areas were considered by the Complainant to be similar in nature. The time adjusted mean sale price of \$141.00 is the basis of the request.

Time adjustments used on the Complainant's sales were calculated by the Complainant using paired sales of 7 properties that occurred between 2006 and 2010. The calculation resulted in a -2.05% adjustment per month and this was applied to each of the sales.

The Respondent reviewed the Complainants sales and stated that sales 1 through 7 on the table presented were very old and of limited use. Sale 8 to 11 were valid and the Respondent stated the same sales were used in the City analysis, that resulted in the assessment rate of \$195.00 / sq. ft. Sales 12 to 16 were of less use because two sales were invalid, two sales were post facto, and one sale was not located in the same area as the subject.

In terms of the time adjustments a table on pg 151 of exhibit R-1 details comments regarding the sales used by the Complainant. Sales used in the calculation were all questionable for use in a time adjustment calculation. Problems range from invalid sales, sales not considering changes in the site, older sales and other issues. In conclusion the time adjustments were not conducted properly.

The Board was concerned with both the sales presented by the Complainant and the time adjustment analysis conducted and applied to the sales. In the opinion of the Board most weight should be placed on those sales that appear in both parties analysis and were completed in 2009 and 2010. Since these sales were recent adjusting for time is not required. The following sales are most informative:

Address	Sale date	Sale price	Price per sq. ft.
340 17 Av. SW	01/2009	\$1,550,000	\$213/sq. ft
739 10 Av SW	04/2009	\$4,000,000	\$205/sq. ft.
508 15 Av SW	04/2010	\$1,200,000	\$184/sq. ft.
2207 4St SW	05/2010	\$3,600,000	\$300/sq. ft.

The above sales from the Complainant average \$225.50 / sq. ft. The Respondent using these sales and one other at 1509 8 St SW adjusted the sales for residual land as some parcels have improvements but are valued as land only, and came to a medium market value of \$196.00. Both these values support the \$195.00 used to calculate the assessment.

2) It is reasonable to have a positive corner adjustment of 5%

The Complainant was of the opinion that the 5% positive adjustment was unreasonable because the elevation of the lot meant that the parcel did not receive the benefits that accrue to a normal corner lot. This particular parcel is bounded on the east by 2 St which is a main north south access to the downtown and crosses the CPR tracks by way of an underpass. The underpass because of its lower elevation to the level of the subject property restricts both visibility and vehicular access common to other corner lots. Elevation restricts the commercial frontage to one side unlike other corner lots which may have frontage on two sides.

The Respondent pointed out that the subject land still has considerable exposure to 10 ave SW and pedestrian visibility from 2 St. As well being a main downtown access for pedestrians the walking traffic is significant. A photo of a development to the east of the subject was submitted as evidence that the potential is available to develop commercial on the 2 St frontage, in spite of the underpass.

In the opinion of the Board there are commercial benefits to corner lots and many of these benefits are available to the subject property even given the elevation difference. The evidence before the board was insufficient to remove the 5% positive adjustment.

**Board's Decision:**

The assessment is confirmed at \$10,340,000.00

DATED AT THE CITY OF CALGARY THIS 14<sup>th</sup> DAY OF November 2011.



Presiding Officer

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

<b>NO.</b>	<b>ITEM</b>
1. C1	Complainant Disclosure (from 61204)
2. R1	Respondent Disclosure (from 61204)

*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.*

Appeal Type	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Other property	parking	Sales approach	Land value