

**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:

1414225 Alberta Ltd. (as represented by Colliers International), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

***Board Chair, W. Garten
Board Member, P. Pask
Board Member, D. Morice***

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: 068204205

LOCATION ADDRESS: 211 15th Avenue S.W.

HEARING NUMBER: 61389

ASSESSMENT: \$585,000

This complaint was heard on 12TH day of October, 2011 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 11.

Appeared on behalf of the Complainant:

- *M. Uhryn, Colliers International*

Appeared on behalf of the Respondent:

- J. Toogood, City of Calgary

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

The Board derives its authority to make this decision under Part 11 of the Alberta Municipal Government Act.

There were no procedural or jurisdictional matters brought before the Board.

The Board proceeded to hear the complaint, as outlined below.

Property Description:

The Subject Property is located in the beltline area within the City of Calgary market area BL2. This vacant parcel of land has an aggregate area of approximately 3,002 S.F. and is zoned multi-residential.

Issues:

The issue under appeal is the Market Value of the site which has been calculated by applying a rate of \$195 per Square Foot. Is this rate fair and equitable?

Legislation:**The *Municipal Government Act*, R.S.A. 2000, c. M-26 (MGA);**

s. 1 (n) *"market value" means the amount that a property, as defined in section 284(1)(r) might be expected to realize if it is sold on the open market by a willing seller to a willing buyer.*

s. 284 (1)(r) *"property means"*

- i) *a parcel of land,*
- ii) *an improvement, or*
- iii) *a parcel of land and the improvement to it;*

s. 293(1) *In preparing and assessment, the assessor must, in a fair and equitable manner,*

- (a) apply the valuation and other standards set out in the regulations, and*
- (b) follow the procedures set out in the regulations.*

s.293(2) *If there is no procedure set out in the regulations for preparing assessments, the assessor must take into consideration assessments of similar property in the same municipality in which the property that is being assessed is located.*

s. 467(1) *An assessment review board may, with respect to any matter referred to in section 460(5), make a change to an assessment roll or tax roll or decide that no change is required.*

s. 467 (3) *An assessment review board must not alter any assessment that is fair and equitable,*

taking into consideration

- a) the valuation and other standards set out in the regulations,
- b) the procedures set out in the regulations, and
- c) the assessments of similar property or businesses in the same municipality.

Matters Relating to Assessment and Taxation Regulation, Alta Reg 220/2004 (MRAT);

s. 2 An assessment of property based on market value

- a) must be prepared using mass appraisal
- b) must be an estimate of value of the fee simple estate in the property, and
- c) must reflect typical market conditions for properties similar to that property

s. 4(1)(a) The valuation standard for a parcel of land is market value

s. 5(1) The valuation standard for improvements is

- a) the valuation standard set out in section 7, 8 or 9, for the improvements referred to in those sections, or
- b) for other improvements, market value

s. 6(1) When an assessor is preparing an assessment for a parcel of land and the improvements to it, the valuation standard for the land and improvement is market value unless subsection (2) or (3) applies.

Complainant's Requested Value: \$405,000 based on a value of \$135 per Square Foot.

Complainant's Position:

The Complainant provided evidence package C-1 (70 pages) for his presentation. The Complainant argued that the price per square foot used by the City of Calgary for the 2011 property assessment is excessive. The City of Calgary used \$195 per S.F.

The complainant brought forward the following evidence in support of his argument.

- The Complainant provided a time adjusted land sales chart of 12 valid comparable sales (C-1 pg 24). The time adjustment calculation was based on 2% reduction per month or 24% per annum.
- The Sales in this chart were sales throughout the City of Calgary. There were 2 sales in the Subject district of BL2.
- The time adjusted land sales chart supported a median time adjusted price of \$138.22 and a mean price of \$145.53.
- The time adjusted land sales chart also provided evidence of an unadjusted median price of \$190.47 with a mean price of \$191.44.
- Evidence in the form of "RealNet" and City of Calgary Assessment Summary Reports (C-1 pg 25-69) were provided to support the time adjusted sales chart.

Upon questioning, the Complainant clarified the following points:

- No Questions

Respondent's Position:

The Respondent provided evidence package R-1 (239 pages) for his presentation.

The Respondent argued that the City of Calgary assessment of \$585,000 is fair and equitable using a price of \$195 per Square Foot as a multiplier.

The Respondent brought forward the following evidence to support his argument.

- The Respondent provided a Beltline Land Sales Chart providing supporting evidence of 5 valid lands sales in the City of Calgary (R-1 pg 20).
- The Land Sales Chart displayed a median price of \$196 per S.F. and a mean of \$228 per S.F. and a weighted mean of \$210 per S.F.
- Supporting documentation was provided for the Land Sales Chart in R-1 on pages 21-83 which included "RealNet", Land Transfers, ARFI's and Corporate Registrations.
- Evidence on the Collier's land sales rebuttal was provided on R-1 pg 100 with supporting documents R-1 pg 101-135
- A further response to Colliers Resale Analysis was provided on R-1 pg 136, with commenting on the validity of each sale.
- Court ordered foreclosure sales chart for the beltline was provided on R-1 pg 155. This chart supported a median of \$207 per S.F. with a weighted mean of \$200 per S.F. Supporting documents were included in R-1 pg 156-215
- Realtor listings were provided in R-1 pg 216-222
- CARB hearings 1973/2011-P and 1974/2011-P were provided in R-1 pg 225-239 in support of \$195 per S.F.

Upon questioning, the Respondent clarified the following points:

- No questions

Complainant Summary

In summary the Complainant argued the following additional points:

- Complainant argued that the 12 comparables (C-1 pg 24) support an assessment based on \$135 per S.F.

Respondent Summary

In summary the Respondent argued the following additional points:

- Respondent argued that the City of Calgary has provided back-up and analysis on the Complainant's comparables. This analysis supported the Assessment of \$195 per S.F.

Last Word by the Complainant

- No comment

Board's Decision:

It is the Board's Decision to confirm the assessment at \$585,000.

Reason(s) for Decision

The Board's reasons for this decision are as follows:

- The Board places the most weight on the Respondent's rebuttal and analysis of the Complainant's 12 comparable sales on R-1 pg 100.
- The Board also places considerable weight on the resale analysis on R-1 pg 136 which provided additional support of \$195 per S.F. used in calculating the assessment.
- The Board also places considerable weight on the court appointed foreclosure sales in the Beltline area on R-1 pg 155 which support the current assessment.

DATED AT THE CITY OF CALGARY THIS 24 DAY OF October 2011.



W. Garten
Presiding Officer

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

NO.	ITEM
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.*