

**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:

***Woodbine Shopping Centre Ltd. (as represented by Colliers International),
COMPLAINANT***

and

The City Of Calgary, RESPONDENT

before:

***M. Vercillo, PRESIDING OFFICER
T. Usselman, 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 2011 Assessment Roll as follows:

ROLL NUMBER: 144001500

LOCATION ADDRESS: 2555 WOODVIEW DR SW

HEARING NUMBER: 64595

ASSESSMENT: \$1,380,000

This complaint was heard on the 21st day of October, 2011 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

Appeared on behalf of the Complainant:

- *D. Porteous*

Appeared on behalf of the Respondent:

- *R. Powell*

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

The Calgary Composite Assessment Review Board (CARB) derives its authority to make this decision under Part 11 of the Act. No specific jurisdictional or procedural issues were raised during the course of the hearing, and the CARB proceeded to hear the merits of the complaint, as outlined below.

Property Description and Background:

The subject property is a corner vacant parcel of land located in the "Woodbine" district of SW Calgary. According to the information provided, the property is a former Shell gas station and has an area of approximately 0.497 acres or 21,636 square feet (sf), with a land use designation of "Commercial – Community 1" (C-C1).

The subject is assessed using the Sales Comparison approach to value, at a rate of \$64.00 per square foot (psf) on the first 20,000 sf and \$21.00 psf on the remaining area. In addition, the subject property is assessed an additional 5% corner lot influence factor.

Issues:

There were a number of matters or issues raised on the complaint form; however, as of the date of this hearing, the Complainant addressed the following issue:

- 1) The subject's assessed land rate is not reflective of market value or equitable and should be reduced to \$40.33 psf.

Complainant's Requested Value:

\$973,500 on the complaint form revised to \$870,000 at this hearing.

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

ISSUE 1: The subject's assessed land rate is not reflective of market value or equitable and should be reduced to \$40.33 psf.

The Complainant provided a 58 page document that was entered as "Exhibit C1" during the hearing. The Complainant along with Exhibit C1 provided the following evidence with respect to this issue:

- A chart of 4 sales comparables, 2 of which were located in the NW and 2 in the SE part of the city. The chart provided the following information on the 4 sales of the comparable properties that occurred from November, 2008 to May, 2010:
 - Site areas ranged from 19,053 sf to 29,064 sf.
 - One comparable property was zoned Commercial Neighborhood 2 (C-N2) and one was zoned Commercial – Corridor 2. Three of the properties were former gas stations.
 - Unadjusted sales prices psf ranged from \$33.33 to \$48.35 with a mean and median of \$40.63. The mean and median unadjusted sales price psf of the 4 comparables formed the basis of the Complainant's request, that the subject should be assessed at a rate of \$40.33 psf.
 - The Complainant determined a time adjustment factor and applied that factor to all sales in order to determine a "time-adjusted" sales price psf as at the assessment valuation date of July 1, 2010. The Complainant determined that the time-adjusted sales prices psf ranged from \$31.25 to \$48.35, with a mean and median of \$38.74.
- Detailed or backup information on each sale indicated in the sales comparables chart above.

The Respondent provided a 39 page document entitled "Assessment Brief" that was entered as "Exhibit R1" during the hearing. The Respondent along with Exhibit R1 provided the following evidence with respect to this issue:

- A chart of 2 sales comparables, 1 of which were located in the NE and 1 in the SW part of the city. The chart provided the following information on the 2 sales of properties that occurred in August, 2008 and September, 2008:
 - Site areas ranged from 12,985 sf to 19,907 sf.
 - Both comparable properties were zoned C-N2. The Respondent provided development information on both the C-C1 (the subject) and the C-N2 zoning bylaws. The Respondent concluded that from an assessment perspective, there was very little difference between the two bylaws.
 - The Respondent determined a time adjustment factor and applied that factor to both sales in order to determine a "time-adjusted" sales price psf as at the assessment valuation date of July 1, 2010. The Respondent determined that the time-adjusted sales prices psf ranged from \$51.24 to \$68.73. Based on these two comparable time-adjusted sales prices psf, the Respondent concluded that the subject property is equitably assessed.
- Information and testimony with regards to the Complainant's comparables as follows:
 - One sale was zoned multi-residential unlike the subject and therefore not comparable.
 - Two sales involved former gas stations that unlike the subject contained an improvement at the time of sale.
 - One sale had contamination at the time of sale as evidenced by the Respondent's Assessment Summary Report that indicated "environmental concerns".

The CARB finds the following with respect to this issue:

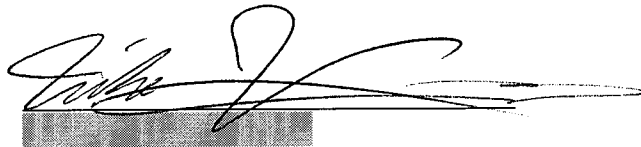
- That the Respondent successfully rebutted or refuted all 4 comparable sales used by the Complainant in his analysis. The CARB agrees that the use of comparable sales involving different zoning, containing improvements at the time of sale and concerns of contamination can have significant impact on an analysis to determine an equitable assessment land rate. Therefore, the CARB finds the unadjusted sales prices psf of these comparables to be unreliable and not comparable to the subject.
- That the Respondent sales comparables are both dated and one is significantly smaller than the subject. Therefore, the CARB finds that only one of the Respondent's sales comparables is comparatively useful in support of an equitable assessment land rate.

Board's Decision:

The complaint is accepted in part and the assessment is revised to \$1,108,000.

The CARB determined that only one of the six sales comparables offered by both the Complainant and the Respondent was comparable enough to the subject property to provide an equitable assessment land rate. The CARB determined that the sale at 3711 RUNDLEHORN DR NE was of comparable size, vacant at the time of sale (like the subject) and had similar zoning to the subject. Therefore, the CARB used the comparable's time-adjusted sales price psf of \$51.24 in assessing the subject property.

DATED AT THE CITY OF CALGARY THIS 9 DAY OF November 2011.



Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
2. 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.*