

**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:

**Copez Properties Ltd.
As represented by
Altus Group Ltd.
COMPLAINANT**

and

The City Of Calgary, RESPONDENT

before:

***J. Acker, PRESIDING OFFICER
D. Pollard, MEMBER
Y. Nesry, 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:	067232702
LOCATION ADDRESS:	944 10 Avenue SW
HEARING NUMBER:	64423
ASSESSMENT:	\$ 163,000

This complaint was heard on 26th day of October, 2011 at the office of the Assessment Review Board located at Floor Number 4 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 6.

Appeared on behalf of the Complainant:

- Stephanie Sweeney-Cooper

Appeared on behalf of the Respondent:

- Lawrence Wong

Property Description:

The subject is a 1,521 square foot vacant parcel improved for use as a parking lot. It abuts the property occupied by Fire Hall #2 in the City of Calgary and forms part of a consolidated parking area spanning the adjacent parcel at 944 10 Ave SW and part of the parcel at 999 8 Street SW.

Issues:

1. The base land value of \$195/square foot applied by the assessor is inequitable insofar as the subject is required for use as parking to support the adjacent development of the 999 8 St SW and should be valued at a nominal rate of \$750 to enjoy equity with other such properties.
2. If the nominal rate requested does not apply, then the base land rate of \$195/sq ft is excessive.
3. The subject has a number of site specific influences that reduce its value, and a further reduction should apply for site contamination.

Complainant's Requested Value: \$ 750.00

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

1. The nominal rate of \$750 does not apply to this parcel of land.
2. The base rate for vacant land applied to the subject is appropriate.
3. The value of the land for assessment purposes should be reduced a further 25% due to site contamination.

Board's Decision:

The Complainant argued that the subject parcel is used exclusively to meet the parking requirements of the developed property at 999 8 Street SW. Accordingly, the value of the subject is captured in the assessment for that adjacent property. In support of this argument, the Complainant provided 8 equity comparables demonstrating the City of Calgary's approach to valuing parking facilities for other developments as residual lands at a nominal parking rate of \$750 regardless of parcel size.

The Respondent provided evidence and testimony that the 999 8 Street SW property contains

within its boundaries more than a sufficient number of parking stalls to meet the development controls in the applicable Land Use Bylaw. There is therefore no requirement for off site additional parking to meet bylaw requirements.

The Board therefore found that the subject does not provide parking to support development requirements of the adjacent property.

The Complainant argued that the \$195/square foot base land rate is excessive and provided 9 sales in the Beltline area that transacted between January 2009 and January 2011. These sales demonstrated a median sales value of \$172.75 and an average of \$172.97 per square foot. Four of the sales were distress sales either through foreclosure or by court order.

The Respondent provided 5 sales transacted between January 2009 and May 2010. These sales were adjusted to remove the improvement value through Marshall and Swift depreciated value analysis. Further adjustments for site specific influences were also applied to determine the base land rate. After these adjustments were made, the data suggests a median land value of \$196/square foot – from which a base land rate of \$195/sq ft was determined.

The Board gave more weight to the Respondent's testimony and evidence and thus determined that the \$195/sq ft value is appropriate for assessment purposes as a base rate in this market area.

The Complainant provided evidence and prior Board decisions supporting the contention that the subject property is contaminated from the underground storage tanks that were part of a prior use on the adjacent site. Further, the Complainant noted that site influence documentation obtained from the City of Calgary shows no assessment reduction for a contaminated site in the Beltline Area, yet the Downtown Area provides a 25% reduction for site contamination.

The Respondent indicated that the contamination report was dated and that the current state of the subject shows no evidence of contamination. He did not provide any evidence to support this contention.

The Board determined that the only evidence before the hearing demonstrated a contamination of the subject property.

Accordingly, the assessment is reduced by applying the 25% negative influence to reduce the assessment as follows:

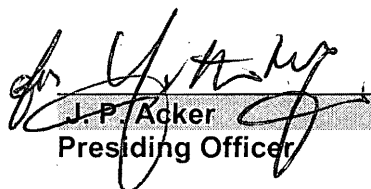
Base land rate	\$195.00
Influence Factors	
Abutting a train track	-15%
Shape Factor	-15%
Residual Parcel Small	-15%
Site Contamination	-25%
Total	-70%

$$\$195.00 - 70\% = 58.50 \quad \times \quad 1,521 = 88,978 \quad \text{rounded to } \$89,000$$

The assessment is reduced to \$89,000.

It is so ordered.

DATED AT THE CITY OF CALGARY THIS 10th DAY OF November, 2011.


J. P. Acker
Presiding Officer

For MGB Administrative Use Only

Decision No. 2751-2011-P Roll No. 067232702				
<u>Subject</u>	<u>Type</u>	<u>Issue</u>	<u>Detail</u>	<u>Issue</u>
CARB	Other Property Types	Parking	Land Value	Equity Comparables

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.*